The Global Newspaper
Edited and Published in Paris
Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

International Herald Tribune

Published With The New York Times and The Washington Post

Algeria 6.00 Din. Israel NIS 3.50 Oman 1.000 Rials
Austria 23 S. Italy 2,000 Lire Portugal 170 Esc.
Bahrain 0.800 Din Jordan 1 JD Qatar 8.00 Riels
Belgium 50 B.Fr. Kenya Shs. 45 Rep. of Ireland 80 P.
Cyprus C£1.00 Kuwait 500 Fils Saudi Arabia 7.00 R.
Denmark 12.00 D.Kr Lebanon U.S.$1.10 Spain 185 Ptas.
Egypt E.P 3.250 Libya L.Din. 0.60 Sweden 10.00 S.Kr.
Finland 9.00 F.M. Luxembourg 50 L.Fr. Switzerland 2.00 S.Fr.
France 8.00 F Malaysia 175 Esc. Tunisia 1.000 Din
Germany 2.80 D.M. Morocco 10.00 Dh. Turkey T.L. 3,200.00
Great Britain 0.70 Netherlands 3.00 Fl. U.A.E. 8.00 Dirh.
Greece 170 Dr. Norway 10.00 N.Kr. U.S. Mil. (Eur.) $0.85
Iran 115 Rials Nigeria 10.00 Naira Yugoslavia 20 ND.

No. 33,326 16/90 ** PARIS, THURSDAY, APRIL 19, 1990 ESTABLISHED 1887

Gorbachev's Proving Ground

In Lithuania, He Warns That Center Must Hold

By Francis X. Clines
New York Times Service

MOSCOW — Rebellious Lithuania may seem an odd arena for Mikhail S. Gorbachev's defense of his grand strategy: making a workable union from the decrepit sprawl of the czarist-Stalinist empire he inherited.

But after five years in power — years that shook much of the world for the sheer unpredictability of history's reversals — the Soviet leader clearly has learned that although he does not always get to pick and choose his arenas, he must never underestimate them.

In Lithuania, as he now slowly, rather hesitantly turns up the economic pressure from the central government, President Gorbachev is hardly belittling the small Baltic republic's power. It can

NEWS ANALYSIS

undo him, and with him his larger strategy of seeking some economic order and prosperity in this tense polyglot nation.

The White House and the rest of the world warn him that they are watching his pressure stratagems. But Mr. Gorbachev is even more mindful that the rest of the Soviet Union is watching and wondering, will Lithuania turn out to be the pathfinder to some revolving door to independence, or will it be an object lesson in impulsiveness?

The veins of potential rebelliousness run deep in scattered parts of this nation. The Baltic crisis can be heard being discussed as avidly by the longtime nationalists of the Georgian Republic as by the newer groups of separatists in the Ukraine, which is no longer such a sleeping giant.

Symptoms of a kind of de facto decentralization are mushrooming in the provinces as Mr. Gorbachev hurriedly tries to pass a new law on national federation that might brace the national dike of unrest.

Now, even separate neighborhoods and cities across the nation are caught up in demands for exotic variations on independence. Officials of Lvov and two other provinces in the western Ukraine, for example, are alarmed at local governments' sudden declarations of independence from Soviet law. No one is yet sure what these declarations might mean, although Soviet flags and emblems are coming down.

The center must hold, warns Mr. Gorbachev, as contumely multiplies around him. But while he focuses on the dramatic case of Lithuania to press this view, Uzbekistan quietly announces that it will stop exporting its basic factory products, appliances and other badly needed goods to the rest of the nation until its local needs are met.

With Lithuania, the Soviet leader seems intent on demonstrating

See RISK, Page 6

Agence France-Presse
James A. Baker 3d during House testimony Wednesday in which he warned the Soviets against sanctions on Lithuania. Page 6.

Oil Supplies Are Shut Off

Compiled by Our Staff From Dispatches

MOSCOW — The Soviet Union shut off the supply of oil to Lithuania's only refinery on Wednesday, imposing part of President Mikhail S. Gorbachev's threatened economic embargo on the breakaway Baltic republic, Lithuanian officials said.

The action was taken despite a conciliatory gesture by the Lithuanian parliament, a decision to freeze all legislative action for two weeks if Moscow agreed to begin preliminary consultations about the republic's independence drive.

Reading a government statement, Aidas Palubinskas, a spokesman for Lithuania's Supreme Council, or legislature, said that the Mazeikiai refinery's director, Bronius Vainoras, confirmed that the single pipeline feeding the plant from the Russian city of Polotsk had been shut down.

The statement said a message read earlier by telephone to Mr. Vainoras said: "In accordance with the resolution of the Council of Ministers, we are halting pumping of crude oil to your refinery."

There was no immediate word on whether natural gas supplies had been disrupted as well.

(AP, Reuters)

■ A Concession in Vilnius

Esther Fein of The New York Times reported earlier from Moscow:

In a sign of concession to the Kremlin, the Lithuanian parliament voted unanimously to freeze all legislative action for two weeks if Moscow would agree to begin preliminary consultations about the republic's drive for independence.

Mr. Gorbachev and Prime Minister Nikolai I. Ryzhkov threatened Lithuania on Friday with a cut-off of critical supplies if the parliament there did not revoke within 48 hours recently passed legislation, including a call to boycott the Soviet spring military call-up and the introduction of mandatory citizen identity cards.

The ultimatum from Moscow did not include revoking the March 11 declaration of independence, a move the republic has repeatedly rejected.

Lithuania's resolution said that the parliament "confirms its loyalty to the acts of March 11," when the parliament declared the republic's independence and suspended the Soviet Constitution.

The document does not specifically mention legislation passed since the declaration except to say that the parliament supports a statement made earlier this week by the Lithuanian prime minister.

In the first sign that the republic was willing to compromise with Moscow, the Lithuanian prime

See BALTIC, Page 6

Nasser Ghazzal/Reuters

At Least 15 Die as Grenade Hits Beirut School Bus

Red Cross workers loading the body of a school bus explosion victim into an ambulance Wednesday under the gaze of a teacher who had escaped injury. A rifle grenade hit the bus, from Mraijeh elementary school in the south, igniting its fuel tank as it waited at a crossing gate between East and West Beirut. Eleven of the dead were children. The blast occurred as the rival Christian factions of Samir Geagea and Major General Michel Aoun traded fire. It was unclear who was responsible.

Shamir Scrambles to Create Settlements

By Glenn Frankel
Washington Post Service

JERUSALEM — The caretaker government of Prime Minister Yitzhak Shamir, taking advantage of an interregnum in which it is not sharing power with the leftist Labor Party, is hurriedly seeking to establish new Jewish settlements in the occupied territories before it leaves office.

The establishment of new settlements is taking place in defiance of U.S warnings that the activity could harm the Middle East peace process.

The activity is certain to increase tensions between Israel and the United States at a time when the Bush administration is considering an Israeli request for $400 million in U.S.-guaranteed housing loans for the resettlement of Soviet Jews.

Mr. Shamir's office confirmed that the interim prime minister had appointed Michael Dekel, one of his rightist Likud party's most ardent settlement advocates, to oversee the activity at the Defense Ministry for the duration of the interim government. Mr. Shamir also is serving as acting Defense and Finance Minister.

Defense Ministry officials say that Mr. Dekel has started a crash

Orthodox settlers in Jerusalem's Christian quarter ignored a court deadline to move out. Page 6.

program to open four new settlements within the next few weeks and that he also is attempting to gain approval for two other projects to install permanent housing at Jewish-held sites in the occupied West Bank cities of Nablus and Hebron.

Meanwhile, other officials said a cabinet committee that was established earlier this month after Labor's withdrawal from the government authorized nearly $4 million in special funds to two rabbinical seminaries that are engaged in buying up Arab properties in Jerusalem's Old City.

A Justice Ministry spokesman said payments were made but that the money would be used by the seminaries to maintain historical sites of "Jewish interest."

There were also Israeli press reports that the Housing Ministry, run by a hard-line Likud member, David Levy, was seeking to buy residential property for Jewish occupancy in the Armenian quarter of the Old City.

Dedi Zucker, a leftist member of the Knesset, or parliament, and a critic of the settlement program, said, "This is all part of one story. The government is taking advantage of its power to take decisions that in other times would cause tremendous heat.

"It's wrong for a government that has already lost a no-confidence vote to take such far-reaching decisions."

A senior aide to Mr. Shamir characterized the new settlement activity as "routine work" that had been approved by the previous coalition government.

A spokesman for the U.S. Embassy in Tel Aviv said American diplomats were uncertain about how much new settlement activity was taking place, but he added that Washington would view any activity as "an obstacle to the achievement of a just and lasting peace."

"We are disappointed that an Israeli leadership that was unable to move forward on the peace process seems ready to move forward on new settlement activity," said the spokesman, Donald Coffman.

An Offer To Free A Hostage

Reciprocity Talks With U.S. Sought By Islamic Jihad

By Youssef M. Ibrahim
New York Times Service

PARIS — Pro-Iranian kidnappers said Wednesday they would release one of the U.S. hostages held in Beirut within 48 hours.

The Islamic Jihad for the Liberation of Palestine said it was acting in response to "urgent appeals by the leaders of the Islamic Republic of Iran for a goodwill initiative in order to close the hostage file."

The group said in a statement delivered to the Beirut newspaper An Nahar that it would like the U.S. assistant secretary of state for Near Eastern affairs, John H. Kelly, to be in Damascus to "coordinate final measures necessary for the success of the release within 48 hours."

Arab diplomats in Paris said the request suggests that Iran expects counter steps from the United States in return for the release of U.S. hostages.

[A State Department spokesman, Dave Denny, said he could "not predict any release — nothing would be served by speculation." Reuters reported from Washington. "We would of course welcome the release of any hostage as we continue to urge the release of all of them."

[Mr. Denny declined to say whether the United States was negotiating for the hostages' release. "We have long called for the unconditional release of the hostages in Lebanon," he said. "We see this as a humanitarian issue."]

The United States has repeatedly vowed not to bargain over the release of hostages. For its part, Tehran has often asked for the return of frozen Iranian government funds held in the United States.

The statement was accompanied by a photograph of Jesse Turner, who taught at the Beirut University College when he was taken hostage Jan. 24, 1987. The Islamic Jihad also holds two other former professors at the university, Alann Steen and Robert Polhill.

The statement by the terrorist organization suggested that the release followed thorough negotiations it described as "assuring a beneficial solution to all parties and following absolute unanimity on a convincing formula."

The group also said it was moving to liberate a U.S. hostage "on the basis of a reciprocal initiative necessary to accomplish a happy ending" — strongly suggesting that a bargain over Iranian demands had taken place or was expected.

Iranian affairs analysts said the development indicates that the so-called pragmatic of the Iranian government, led by President Hashemi Rafsanjani, may have settled a long-running power struggle in Teheran to its advantage.

"I am really happy," Irfan Parviz, editor of the Tehran Times, said from the Iranian capital Wednesday night. "I can say it is the beginning, and there will be more good news in the pipeline."

Mr. Parviz, whose paper on March 6 was the first official Iranian organ openly to call for the release of foreign hostages, also said that Syria had helped in the current situation.

Mr. Rafsanjani and his supporters in Tehran have long advocated a resolution of the hostage issue to allow Iran to pursue an economic and diplomatic normalization process with Western countries, a process that began with France in 1988 when all French hostages held by pro-Iranian militias were released.

Senior Arab officials familiar with Iranian affairs said that Wednesday's development also underscored Syria's wish to improve its ties to the West. The Islamic Jihad statement seemed to suggest the hostage will be released in Damascus.

Arab diplomats in Paris noted that the announcement came at a time when Iraq, an archenemy of Iran and Syria, has seen its relations with the West deteriorate.

Mr. Parviz said that the anticipated hostage release was thanks to the efforts of Mr. Rafsanjani. He dismissed notions of opposition to

See HOSTAGE, Page 6

Kiosk

U.S. Disagrees With de Klerk

WASHINGTON (AP) — The White House said Wednesday it supported a "one man, one vote" government in South Africa despite new assertions by President Frederik W. de Klerk that his government would not agree to majority rule.

"We support the achievement of a nonracial, democratic society based on universal suffrage — suffrage meaning a vote for all — in a united South Africa," the White House spokesman, Marlin Fitzwater, said.

His comments were in response to Mr. de Klerk's speech Tuesday in which he said his government would not agree to majority rule but would try to work out a formula for whites to share power with blacks.

General News

In New York, cabdriving is a shot in the dark. Page 6.

The United States again gives its allies poor marks on defense outlays. Page 3.

Sports

Lisbon's Benfica and AC Milan advanced to Europe's premier soccer final. Page 23.

Crossword Page 6.

Stocks Off Sharply

Prices fell sharply on the New York Stock Exchange, as a jump in interest rates and sinking bond prices hit the share market. (Page 18)

Dow Close	The Dollar In New York	
2,732.88	DM	1.5728
Down	Pound	1.639
32.89	Yen	158.15
	FF	5.6215

It Was No Joke: Pipes Were for Iraqi Cannon, Britain Says

By Barry James
International Herald Tribune

A British government minister said Wednesday that steel pipes impounded as they were being shipped to Iraq last week were intended to form part of a giant long-range artillery cannon.

"The government is entirely satisfied that these tubes form part of a gun," Nicholas Ridley, trade and industry secretary, told Parliament.

Mr. Ridley also confirmed the connection between the pipes and a Canadian-born U.S. scientist, Gerald Bull, who was shot in an apparent contract killing in Brussels last month. He was known to be working for Iraq, and one of his sons said recently that the killing may have been ordered by Israel.

"The government recently became aware in general terms of an Iraqi project to develop a long-range gun based on designs developed by the late Dr. Gerald Bull," Mr. Ridley said.

His statement appeared designed to stop speculation that the customs service, which confiscated the pipes, was under government pressure to back away from prosecuting the case.

The Independent newspaper quoted government sources as saying any legal actions against the manufacturers of the pipes might betray alleged government collusion in breaking an arms embargo to Iraq.

"The customs action was correct," Mr. Ridley said in the first high-level vindication of the decision to seize the pipes.

Mr. Ridley insisted that his department had no knowledge the pipes were intended to form the barrel of a gun until a few days ago. "If my department had known that purpose, they would, of course, have advised that licenses were necessary and they would not have been granted," he said.

The customs seized eight lengths of piping that military experts said were designed to form the 40-meter (130-foot) barrel of a cannon capable of firing nuclear or chemical warheads over long distances.

Sheffield Forgemasters, the manufacturers of the piping, have maintained throughout that the cylinders were intended for a petrochemical plant. It said it had already delivered 44 lengths of the heavy-duty, smooth-bore piping to the Iraqis.

Mr. Ridley said he understood it would not be possible to build a cannon from the parts already supplied. "The gun itself cannot be in operation without all its parts, and it is a great success on the behalf of this country to have been able to prevent that happening," he said. He did not give any details of the gun.

Mr. Bull left drawings showing a huge barrel supported by steel gantries and sunk into an underground bunker. With a bore diameter of one meter, the gun would be the largest ever built. Mr. Bull built a smaller version of such a gun in the 1960s when he was working on the U.S. Defense Department's

See IRAQ, Page 6

U.S. February Trade Gap Was Smallest in 6 Years

By Lawrence Malkin
International Herald Tribune

NEW YORK — Steadily rising exports and a sharp decline in oil imports narrowed the U.S. trade deficit to $6.49 billion in February, the government reported Wednesday.

The 30 percent drop in one month brought the deficit down to its lowest level in more than six years and was "a good piece of news for the U.S. economy," said David H. Resler, chief economist of Nomura Securities in New York.

Economists also said that the report seemed more than just a one-month wonder and could help persuade the Federal Reserve Board that the economy was closer to its target of slow, export-led growth than this week's strong inflation figures would indicate.

As often happens with statistics that are widely anticipated, market reaction was perverse. Foreign exchange dealers had loaded up on dollars, expecting an even smaller deficit. When they unloaded, the dollar dropped. Bond prices plummeted and rates climbed on the belief that good export performance meant a stronger economy and firm interest rates. Stocks firmed, then sank on the rate rise.

The export figures provided the main cause for optimism. Although exports showed a slight decline from January's $31.94 billion to February's $31.63 billion, the Commerce Department pointed out that exports during the period were 11.6 percent higher than in the first two months of 1989.

Almost all of the improvement was in manufactured goods instead of agricultural goods. Half of the increase came in advanced-technology products such as jet aircraft, computer parts, optical and scientific instruments, and electrical machinery such as precision lathes. February also marked the return to normal shipments by the Boeing Co. after a strike last fall distorted its schedule of aircraft shipments.

The United States also posted a trade surplus with Europe of $960 million. Some economists attributed the surplus to an overall rise in European demand because of the opening of Eastern Europe.

Imports declined 7.6 percent by

See TRADE, Page 18

In Bay Area, 6 Anniversary Shocks

Compiled by Our Staff From Dispatches

SAN FRANCISCO — On the 84th anniversary of the Great Quake, people in the San Francisco region had plenty reason to pay close attention to the pulse of the San Andreas Fault. They got a chilling reminder when a series of six earthquakes rumbled through Northern California on Wednesday, shattering nerves but little else.

The tremors hit about 90 minutes after 150 survivors of the 1906 quake and subsequent inferno gathered in the predawn darkness to talk about the time the earth shook and the sky glowed. The group has held a reunion every year since 1924 at Lotta's Fountain on Market Street here, where they observe a moment of silence at 5:13 A.M., when the 8.3-magnitude quake struck on April 18, 1906.

On Wednesday, three of the quakes, measuring between 4.1 and 5.4 on the Richter scale, jolted the city for 16 minutes beginning at 6:38 A.M., according to the U.S. Geological Survey. The other quakes struck an hour later. *(AP, Reuters)*

'Dirty Money' Drug Bonanza: Puerto Rican Villagers Can Really Dig It

By James LeMoyne
New York Times Service

VEGA BAJA, Puerto Rico — Most of the money is still missing, sending FBI agents scrambling for leads from villagers who will not admit to knowing much about the buried treasure.

But buried treasure is indeed the talk of this seaside settlement, where federal agents say that at least 10 hefty plastic drums stuffed with as much as $20 million in cash were dug up by local residents about three weeks ago, fueling an Easter season spree by villagers who began plunking down bricks of greenbacks to buy houses, cars and consumer-age adult toys.

The conspicuous consumption did not take long to attract attention in a town of narrow streets, thin wallets and prying eyes.

"They weren't pros," said Lieutenant José Alvarez of the police department's division of drugs and narcotics, describing those who found and spent part of the buried trove. "They just began spending and they got caught."

But police officials say it seems likely that those who buried the cash under several feet of wet, reddish-brown earth were anything but amateurs.

Mr. Alvarez and the U.S. attorney for Puerto Rico, Daniel López Romo, said they thought the money was hidden by a major drug ring that has used Puerto Rico as a shipping point for large parcels of cocaine bound for the United States from South America.

The police say that this strong suspicion has made the residents of Vega Baja even warier of outsiders than usual, because they fear that the drug lord who may have buried the money will send gunmen in to teach a lesson to those who pinched hidden millions.

"They are afraid of the dealers," Mr. Alvarez said.

Mr. López Romo said he would confiscate money that had not been spent if he could prove it was earned from drug dealing or criminal activity.

But he added that so far no charges had been filed against anyone, since "finding money" is not a crime. And if the ownership of the money cannot be proved, he said, those who dug it up could apparently claim it — but would have to pay taxes on it.

In an increasingly bizarre story, local officials say there appears to be a probability that the drums of cash are part of the profits of a regional drug ring headed by an infamous local dealer, Sonia Berrios.

According to Mr. López Romo, Miss Berrios is a fugitive being sought on numerous counts of drug dealing. Some of the top people in her organization lived in the area, he said, but added that it was too early to say whether they buried the cache.

The U.S. attorney said, however, he had no doubt that the money was tainted.

"Hey, money isn't hatched in the earth," he said. "Someone put it there. It's obvious this is dirty money."

Police officials will not divulge the precise location of the buried cash, but they say it was on an isolated farm in the hills between Vega Baja, about 40 kilometers (25 miles) from San Juan, and the neighboring town of Vega Alta.

"People have dug about 20 holes looking for it," said an officer at the desk of the police station. Angel Manuel Melendez, a hardware store owner, said, "People from around here are

See BURIED, Page 6

Zulu Chief: De Klerk and Mandela Can't Easily Ignore Him

By Christopher S. Wren
New York Times Service

ULUNDI, South Africa — Mangosuthu Buthelezi, the most powerful political leader of the Zulus, who make up South Africa's largest ethnic group, is a man with regal bearing — charismatic, proud, intolerant of criticism, and invariably admired or detested.

But however he is viewed, he is a leader with whom both Frederik W. de Klerk and Nelson Mandela must reckon as they prepare to discuss the future of South Africa.

Once a member of the youth league of the African National Congress, Mr. Mandela's organization, Chief Buthelezi now figures as its most prominent black rival in the maneuvering preceding the eventual negotiations with the white minority government.

The Congress is trying to shunt Chief Buthelezi to the sidelines by forging alliances with other traditional chiefs and homeland leaders. But Chief Buthelezi, who looks younger than his 61 years, has proven a shrewd — some would say ruthless — political infighter who cannot easily be discounted.

"They think they are going to marginalize me," he said in an interview at his office in Ulundi, the tidy capital of KwaZulu, the Zulu homeland, in the rolling green hills of Natal Province.

"They say Inkatha must be smashed and finished," he said, referring to the Zulu political movement. "It is not possible."

As chief minister of KwaZulu, head of Inkatha and a hereditary chief of the Zulus, he claims a proprietorship over one-quarter of the nation's 28 million black inhabitants. He views the 7 million Zulus as a pivotal force who can ally themselves with other groups to forestall destabilizing change. His appeal beyond the Zulus lies in his defense of free enterprise and his opposition to the ANC's call for armed struggle and economic sanctions. This has made him the black leader that most white South Africans prefer, but not most black ones. Some of them consider him too cozy with the old political system, despite his continuing criticism of apartheid.

"Apartheid is doomed," Chief Buthelezi, dressed in a business suit and wearing wire-rimmed glasses, said in the interview. "No matter how you analyze the South African situation, status quo apartheid politics is a thing of the past."

"The state president, Mr. F.W. de Klerk, has burned his bridges behind him," the chief added, "and for him there is no going back." He was referring to the president's overtures, including the release of Mr. Mandela from more than 27 years of imprisonment in February, and to Mr. de Klerk's plan for talks on a constitution to extend political rights to the black majority.

Chief Buthelezi takes emotional issue with those who say that Inkatha is responsible for the violence among blacks in Natal. He also denies assertions that Inkatha, which functions as his grass-roots power base, is losing popular support.

He said its paid membership had risen over the last few years to 1.7 million, the largest of any organization in South Africa. The ANC, which was restored to legal status only on Feb. 2, is believed to have more support. But it has just begun signing up an open membership after 30 years of outlaw status.

Mr. Mandela, who is regularly asked where Mr. Buthelezi fits into the new politics, acknowledged two months ago that the chief was "a figure with a following."

Daniel Eifes, The Washington Post

Chief Buthelezi takes issue with those who blame his movement for factional fighting in Natal.

"I really love that man," Chief Buthelezi said of Mr. Mandela, whom he met years ago and for whose release he campaigned. He said he believed that he and Mr. Mandela could settle things if the ANC would let them.

He had harsher words for the Congress, which he accused of having spawned "a culture of violence" in South Africa, even targeting him for assassination.

He said his relations with the Congress turned sour in 1980, after he declined to recruit young Zulus for its guerrilla wing or to subject Inkatha, which he founded, to its control. "They thought I could be a surrogate organization," he said.

He also objected to the idea that international sanctions and guerrilla warfare were effective weapons against apartheid; the former, he argued, cost black jobs while the latter cost black lives.

"There was no way I could compromise on sanctions or espouse violence," Chief Buthelezi said. He described those issues and his belief in capitalism as his only philosophical differences with the ANC.

Their mutual suspicions have worsened during the factional violence that is ravaging the black communities of Natal.

The fighting, which has claimed as many as 3,000 lives in the last five years and has increased with Mr. Mandela's release, involves members of Inkatha and adherents to the United Democratic Front, a coalition loyal to the ANC.

Critics have accused Inkatha, which espouses traditional tribal values, of having started and perpetuated the violence in Natal to prevent the more urban-oriented United Democratic Front from siphoning away Zulu support. One tally of victims by a United Democratic Front supporter identified only 10 percent as Inkatha members. Chief Buthelezi angrily rejected the allegation.

Inkatha, he said, espouses the nonviolent principles once followed by the Congress.

"We have never planted bombs in the supermarkets and shopping malls," he said, alluding to the ANC's guerrilla campaign against Pretoria. "We've never believed in that. We've never sentenced policemen to death."

Inkatha was not to blame for the war, he said, but "I wouldn't dismiss the possibility of people revenging themselves."

The Zulu leader has publicly asked Mr. Mandela to join him in trying to halt the violence.

Chief Buthelezi has insisted that his leadership of KwaZulu, one of 10 ethnic homelands designated by Pretoria, does not make him a puppet of apartheid. The Zulus, he said, were a sovereign nation when they were subjugated by Great Britain in 1879.

The chief said he championed not just the interests of the Zulus but also those of other groups that risked being excluded by the ANC from a political settlement. The smallest party, he said, must be represented.

"I don't think my brothers in the ANC have abandoned the winner-take-all politics," he said.

Aid Official Says Nepal Was Warned by Donors Of Need for Changes

By Sanjoy Hazarika
New York Times Service

KATMANDU, Nepal — An international aid official said that the World Bank, reflecting the concern of key donor nations, had warned aides to King Birendra last month that financial assistance to this kingdom could be jeopardized by their inability to respond to the pro-democracy movement that has since gained power.

The agitation, spearheaded by the Nepali Congress Party and the United Left Front, a coalition including the Communist Party, swept pro-monarchy forces out of office in a surge of popular unrest that peaked 12 days ago.

The aid official, who declined to be identified, said that the World Bank's concern was made known to officials in the palace and the Finance Ministry late in March as the movement grew in strength.

A new 11-member government led by Krishna Prasad Bhattarai of the Nepali Congress is to be installed Thursday. Mr. Bhattarai named Nepal's first multiparty Council of Ministers in 30 years on Wednesday and gave key economic posts such as industry, commerce, agriculture, tourism and land reform to leftists.

The finance post went to Dhirendra Raj Pande, a prominent human rights organizer and independent economist who served previously as finance secretary.

The former foreign affairs minister, Shailendra Upadyaya, who was in the government at the time, said that he personally knew of threats of aid disruption from France, Britain, the United States, West Germany and Switzerland.

The bank funded $65 million worth of projects last year and plans to fund a series of projects worth about $120 million per year for the next five years.

The Aid Nepal Group, a consortium of several nations including West Germany, Japan, Britain, Switzerland and Canada, which is chaired by the World Bank, had made fresh commitments of $466 million in aid to Nepal in fiscal year 1988-89.

The aid official and others here said that West Germany and Switzerland had on April 8 virtually decided to pull back on ongoing projects and stall future assistance before King Birendra bowed to the movement and ended a ban on political activities.

The pro-democracy movement worked another week to force the resignation of the king's prime minister, Lokendra Bahadur Chand, and the dissolution of the National Assembly or parliament, paving the way for an opposition government and new elections.

On Wednesday, Mr. Bhattarai significantly retained the key portfolios of foreign affairs, defense and palace affairs. The last post involves coordination with the 44-year-old monarch who has ruled with near-absolute powers since 1972. Aides in the Nepali Congress got important posts of home affairs, which involves control of law enforcement agencies and the intelligence network, and water resources.

The international aid specialist said that donor nations, while impressed by Nepal's prudent management of its foreign exchange reserves, credit restraints and budget management, were irked by its poor implementation of large funds for key projects.

Injuries Reported Light In Major China Quake

Reuters

BEIJING — An earthquake measuring 6.4 on the Richter scale that struck the sparsely populated northwest region of Xinjiang injured only two people while reports on damage varied, officials said Wednesday. A quake of that magnitude can cause severe damage.

An official at the seismological bureau in Urumqi said the earthquake on Tuesday had caused cracks in buildings and had been strongly felt in the city of Kashgar.

As China Frowns, Paris Shelters Exiles

By Edward Cody
Washington Post Service

PARIS — Disregarding protests from Beijing, France has become the crossroads for escaped Chinese dissidents seeking from abroad to promote a revival of the democracy movement that blossomed in Tiananmen Square a year ago.

President François Mitterrand's government has given the anti-Beijing exiles wide latitude in obtaining temporary visas and carrying out their anti-Beijing activities partly because of the French tradition of political asylum and also because of a personal interest in the dissidents' fate demonstrated by Mr. Mitterrand's wife, Danielle, exiles said.

The tolerance of dissident activities on French soil has generated several protests from the Beijing government, the most recent one delivered to the Foreign Ministry here a week ago by the Chinese Embassy's political attaché. That diplomatic step followed criticism of the French policy by Prime Minister Li Peng in Beijing April 4 during which he urged Paris to rein in the dissidents.

The specific objects of Mr. Li's concern, the newly fled Chai Ling and her husband, Feng Congde, described their escape in Paris and since then have denounced the Beijing government in a round of interviews. Miss Chai, who led students in Tiananmen Square during the protest's final hours June 3 and 4, was hunted for months afterward by the Chinese police.

The major dissident exile group, the Federation for a Democratic China, was founded here in September by a number of Chinese who were involved in the protest movement and who fled after the crackdown.

They included Wan Runnan, head of a private business called the Beijing Stone Group; Yan Jiaqi, former director of the Political Studies Institute and now the group's president; Verkesh Daolet, a student leader; Shu Shaozhi, former director of the Marxist-Leninist Studies Institute; Liu Binyan, a journalist, and Chen Yizi, former director of the Economic Reform Institute.

"The French government gave us tremendous support compared with the support offered by other countries, such as the United States," said Lan Dong, a spokesman for the federation.

One group, A Boat for China, has sponsored a ship that has set sail for waters off China to broadcast news and commentary toward the mainland. Organizers of the project, which has cost $1.5 million so far and has been paid in part by Taiwan, have vowed to begin 24-hour broadcasts by the beginning of June, a spokesman said.

■ Magazine Harassed

A computer stolen from French sponsors of the radio ship has been returned but disks containing vital data are missing, Reuters reported Wednesday, quoting backers of the project.

The magazine Actuel, one of the sponsors of the "Goddess of Democracy" radio ship, said that a burglar who broke into its Paris offices last weekend had returned the stolen computer but not the disks.

Actuel and other sponsors of the ship have complained of harassment by Chinese authorities.

Kashmiris Reaching Pakistan Cite Indian Terror

By Barbara Crossette
New York Times Service

ISLAMABAD, Pakistan — Thousands of Kashmiris have fled the Indian-controlled Kashmir Valley and crossed into Pakistan in recent weeks, bringing stories of atrocities by Indian troops and paramilitary forces, according to the leader of Pakistani Kashmir.

The leader of Pakistani Kashmir, Mohammed Abdul Qayyum Khan, said Wednesday that about 4,000 Kashmiris were staying in Muzzafarabad, the capital of the semiautonomous territory. An unknown number of other Kashmiris were scattered around Pakistan with relatives or sympathizers, he said. Mr. Qayyum Khan is the president of what Pakistan calls "free Kashmir."

Many of the exiled Indian Kashmiris are staying around the city of Rawalpindi in the Pakistani province of Punjab. The city houses Pakistan's military headquarters.

Among the refugees are young men seeking guns and weapons training, which Pakistani opposition politicians are increasingly willing to provide.

Prime Minister Benazir Bhutto, whose Pakistan People's Party hopes to gain control of "free Kashmir" through an allied local party in May elections, has been vocal in her support of Indian Kashmiris, describing them as "freedom fighters" and pledging $5 million to their cause.

A survey by Gallup Pakistan found that 78 percent of those polled thought that Islamabad should give the Indian Kashmiris military supplies.

The poll was taken in February, when New Delhi began to increase pressure on the separatists in its northern Kashmir region.

The exiles from the valley in the Indian state of Jammu and Kashmir say that the Indian forces are destroying property, terrorizing families and sexually abusing women, Mr. Qayyum Khan said.

"Repression unknown in our history is being carried on by Indians," he said. "They are trying to encircle the valley."

Mr. Qayyum Khan said that morale on the Pakistani side was "getting worse every day" as worries about relatives in India and fears of a military strike by New Delhi grew.

Some Indian politicians, blaming Islamabad for the unrest in Kashmir, have threatened to "teach Pakistan a lesson."

The "least they can do in a war" is attack Pakistani Kashmir, Mr. Qayyum Khan said.

"Even if they wanted to give up the valley," he said, "they would give us a final blow, a parting kick."

He said that New Delhi was deliberately portraying the separatist movement in Kashmir as an Islamic fundamentalist crusade in order to discredit it among Western human-rights groups. Pakistan is a Muslim nation while India is a predominantly Hindu country.

Pakistani troops continue to prevent groups of Pakistani Kashmiris from crossing into India to avoid provoking the Indian forces that are entrenched in bunkers along the hilly border. Some Pakistanis have already died near the border.

Mr. Qayyum Khan said that many more Indian Kashmiris now might seek refuge in Pakistan following New Delhi's banning on Monday of eight Muslim militant organizations in Kashmir. India accuses the organizations of supporting the separatist movement.

A demarcation line through mountainous terrain separates the two Kashmirs following two wars between India and Pakistan over the disputed region.

New Delhi has refused to allow a plebiscite, which was called 40 years ago by the United Nations, that would enable residents of Jammu and Kashmir state to choose the country to which they wanted to belong.

Jammu and Kashmir is India's only predominantly Muslim state. Pakistan was created from the division of British India in 1947. Islamabad claims that the Kashmir Valley should have been included in Pakistan.

■ Talks Are Set on Kashmir

The Press Trust of India news agency said Wednesday that the foreign ministers of India and Pakistan would meet in New York in an apparent effort to lower tensions over the northern Kashmir region, Reuters reported earlier from New Delhi.

Indian officials said the meeting was proposed by Pakistan and that it might take place Sunday, the Indian news agency reported. On Monday, Washington called for talks between the two countries.

South African Naval Visit

The Associated Press

JOHANNESBURG — A South African naval task force will be sent to the Far East for the first time and will visit Taiwan, state radio reported Wednesday. The force will spend six weeks in Asian waters. The ships will "show the flag" in the region, the report said.

Testers for U.S. College Entrance Cite Fraud in India

New York Times Service

NEW DELHI — Because of fraud in the administration of internationally standardized tests in India, the Princeton-based Educational Testing Service has canceled the results of the last three Graduate Record Examinations held in this country.

All students in India who took the exam on Jan. 20, Feb. 3 and Feb. 10 will have to retake it. The testing service, the world's largest, will use private security to police Saturday's exams.

After a five-month investigation of reports that copies of the examinations were being sold in several testing areas, Princeton officials said the problem had not arisen on such a scale anywhere else.

More than 14,000 students take the Graduate Record Examination in India, a significant proportion of the 366,000 tests administered in more than 170 countries annually. U.S. colleges and universities rank highest among Indians seeking to enter foreign institutions for postgraduate training.

Large numbers of Indians also take the Educational Testing Services English-proficiency exam. That also has been undermined in India by the apparent sale of test papers in advance of the test dates, according to Princeton officials.

Rival Algerians Urged to Restrain Protests

Reuters

ALGIERS — The Algerian government and a religious leader appealed Wednesday for restraint between the ruling party and Muslim fundamentalists who plan rival marches Friday.

With political and social tension growing ahead of local elections in June, the first multiparty poll since independence in 1962, Sheikh Ahmed Sahnoun issued a rare appeal to both parties to call off their protests.

The Interior Ministry, which has vowed to crack down on a recent upsurge of fundamentalist violence, said it could not ban the marches but marchers must respect public order.

Sheikh Sahnoun, a moderate who enjoys huge prestige as the spiritual father of Algerian fundamentalism, broke his usual silence by urging the more radical Islamic Salvation Front to reconsider plans for a march on the presidential palace.

The sheikh also called on the ruling National Liberation Front to cancel counterdemonstrations across the country, saying they could be exploited by provocateurs and "enemies of the nation."

Brazil Kidnappers Release 2

Reuters

SAO PAULO — A businessman and his 2-year-old granddaughter were freed by their kidnappers in the central city of Goiânia after his family paid a $1 million ransom, the police said Wednesday. Odilon Walter Santos, 73, and his granddaughter were abducted April 8 and released Tuesday.

EXECUTIVE EDUCATION

FALCON
SCHOOL OF ENGLISH

EXECUTIVE SUMMER PROGRAMME

FOR

BUSINESS AND PROFESSIONAL PEOPLE

* COURSES RUN FOR 3 WEEKS, 6 WEEKS AND 9 WEEKS DURATION

* FIRST CLASS ACCOMMODATION AND CONFERENCE FACILTIIES IN LONDON, AT HILTON INTERNATIONAL HOTELS

* DAY AND WEEKEND EDUCATIONAL TRIPS TO OTHER AREAS OF GREAT BRITAIN, WITH ACCOMMODATION AT HILTON NATIONAL HOTELS

FOR DETAILS PLEASE CONTACT:
THE PRINCIPAL, FALCON SCHOOL OF ENGLISH
13, WATER GARDENS, GORDON AVENUE
STANMORE MIDDLESEX HA7 3QE

TEL: (01) 954 9944 (8 LINES) FAX: (01) 420 6072

WORLD BRIEFS

Supreme Soviet Clears Investigators

MOSCOW (Reuters) — The Soviet parliament rejected a call for criminal proceedings against two corruption investigators and suggested instead that the country's discredited former leaders be investigated.

The Supreme Soviet turned down on Wednesday an appeal by the prosecutor-general to remove parliamentary immunity for Telman Gdlyan and Nikolai Ivanov, who won broad popularity for their six-year investigation of senior officials in Central Asia. But a Tass report said that deputies also agreed to the dismissal of the two men from their investigative posts.

Mr. Gdlyan and Mr. Ivanov alleged in last year's election campaign that the Politburo conservative Yegor K. Ligachev was involved in corruption. The case turned into a closely watched battle between emerging radicals and the Soviet establishment. Mr. Ligachev was later cleared of all allegations for lack of evidence.

Pilots Blamed in India A-320 Crash

NEW DELHI (AFP) — Indian investigators have found that pilot error and computer "blindness" may have caused the crash Feb. 14 of an Airbus A-320 in the southern city of Bangalore, The Economic Times reported Wednesday. Ninety persons died in the crash.

A report by the Directorate General of Civil Aviation was submitted to a Bangalore court of inquiry ruling out failure of the electrical, hydraulic or cabin pressurization systems as a cause of the accident, the daily said. The report cited a miscalculation of speed and altitude by the pilot. The Economic Times did not elaborate on what it meant by the "blindness" of the flight control systems.

Officials of Airbus Industrie, the maker of the plane, have said that an "enormous blunder" by the pilots caused the crash. The Airbus officials maintain that the pilots were not careful about their speed as they approached landing.

Ortega Pledges to Give Up Power

MANAGUA (Reuters) — President Daniel Ortega Saavedra said Wednesday that he would hand over power to President-elect Violeta Barrios de Chamorro on the scheduled April 25 inauguration date, ending speculation that he would delay the handover if the contras were not disarmed.

"On April 25, I will hand the presidential sash to Violeta Barrios de Chamorro, and she will become the chief executive independent of whether the war continues in our country or has been irradicated," Mr. Ortega said. He made his comments after a 75-minute meeting with Mrs. Chamorro at her Managua home.

On Monday, Mr. Ortega left open the possibility that the government's handover could be postponed if the contras, as the Nicaraguan rebels are called, were not disarmed, saying the country was on the brink of civil war. On Wednesday, Mr. Ortega called on a delegation of contras in Managua to agree to lay down their arms by April 25 "so that the handover of power can be made in conditions of peace."

A Breakthrough on Test-Tube Babies

WASHINGTON (UPI) — For the first time, doctors have determined the sex of test-tube babies before implanting them in the womb, researchers from London's Hammersmith Hospital reported Wednesday. They said that the achievement may make it easier for couples who carry genetic defects to have healthy children.

The researchers said that they had successfully implanted four female embryos whose sex had been determined outside the womb. The embryos were paired off and will be born as twins. The doctors were specifically seeking to prevent the more than 200 hereditary diseases that can only be passed on to boys.

The pregnancies of the two women have advanced normally for about 25 weeks, said Dr. Alan Handyside, study director and senior lecturer at the Royal Postgraduate Medical School. Both sets of twins are due in August, he added.

Abidjan Lifts Pay Cuts After Protests

ABIDJAN, Ivory Coast (Reuters) — Following the most violent protests since its independence 30 years ago, Ivory Coast on Wednesday suspended wage cuts that were to take effect at the end of April as part of an economic austerity plan, national radio said.

The radio said the cuts would be lifted indefinitely while a new committee reviewed government plans to revive the economy. Ivory Coast has a $14 billion foreign debt. The suspension of the austerity measures, which would have cut wages for many civil servants by 8 to 17 percent, came after some of the most violent protests seen in Ivory Coast since independence from France in 1960.

The announcement followed a special session of the ruling party politburo. Diplomats and banking officials said any new austerity package may have to include a devaluation of the currency and measures to curb the debt.

Fire Damages Churchill's Birthplace

BLENHEIM, England (AP) — Blenheim Palace, the home of the Duke of Marlborough and birthplace of Winston Churchill, was damaged Wednesday by fire. The palace administrator, Paul Duffie, said that no one was injured and that there was no serious structural damage at the house, 60 miles (100 kilometers) northwest of London.

Mr. Duffie was the first to spot the flames on the roof of the southwest tower, where roofers had been working earlier in the day. Before fire fighters arrived, he said, the palace staff used fire extinguishers and covered bookcases with protective sheeting. Within an hour the fire was under control.

"The fire brigade did not use one more drop of water than was necessary, so damage was kept to a minimum," he said. "If thousands of gallons had been poured on to the flames the results could have been disastrous." The palace has a collection of 10,000 books.

For the Record

Yugoslavia lifted emergency measures Wednesday in Kosovo Province, where more than 50 people have been killed in clashes in the last year, and said it would release 108 political prisoners. Tanjug said the Yugoslav presidency approved a motion by the Serbia, of which Kosovo is a part, to lift measures imposed in March last year after 28 people were killed in clashes between Serbs and the ethnic Albanian majority. Tanjug said the measures, which included a ban on political protests, could be lifted because the situation had improved. *(Reuters)*

TRAVEL UPDATE

Accidents on Italy's roads over the Easter holiday killed 61 people and injured 1,468, the Interior Ministry reported Wednesday. The toll last year was 69 dead and 1,631 injured. *(AP)*

Portuguese train engineers called off a 10-day partial strike on Wednesday after two days but threatened to resume their action April 26 if demands for more pay and earlier retirement were not met. *(Reuters)*

WEATHER

	EUROPE HIGH C	F	LOW C	F	
Amsterdam	10	50	5	41	c
Athens	19	66	11	52	fr
Barcelona	19	66	11	52	s
Belgrade	14	57	8	46	c
Berlin	12	54	3	37	c
Brussels	11	52	4	39	sh
Budapest	14	57	8	46	c
Copenhagen	10	50	6	43	sh
Costa Del Sol	23	73	12	54	fr
Dublin	12	54	2	36	r
Edinburgh	10	50	6	43	r
Faro	25	77	14	57	s
Florence	19	66	8	46	fr
Frankfurt	13	55	2	36	c
Geneva	12	54	3	37	c
Helsinki	6	43	0	32	sn
Las Palmas	22	72	17	63	fr
Lisbon	19	66	10	50	s
London	12	54	2	36	sh
Luxembourg	9	48	3	37	c
Madrid	19	66	7	45	s
Milan	17	63	8	46	fr
Moscow	12	54	6	43	sh
Munich	13	55	4	39	r
Nice	14	57	9	48	fr
Oslo	9	48	0	32	c
Paris	11	52	3	37	c
Prague	13	55	3	37	c
Reykjavik	3	37	0	32	sn
Rome	17	63	12	54	fr
Stockholm	11	52	1	34	sn
Strasbourg	—	—	4	39	c
Venice	17	63	3	37	c
Vienna	14	57	3	37	c
Warsaw	14	57	7	45	c
Zurich	11	52	4	39	c
MIDDLE EAST					
Ankara	12	54	5	41	sh
Cairo	28	83	17	63	fr
Istanbul	15	64	9	48	r
Jerusalem	24	75	9	48	fr
Tel Aviv	—	—	—	—	na
OCEANIA					
Auckland	—	—	—	—	na
Sydney	21	70	15	59	r

	ASIA HIGH C	F	LOW C	F	
Bangkok	34	93	23	73	c
Beijing	11	52	5	41	c
Hong Kong	21	70	17	63	r
Manila	33	91	24	75	c
New Delhi	39	102	24	75	c
Seoul	17	63	4	39	c
Shanghai	15	59	9	48	c
Singapore	31	88	24	75	sh
Taipei	23	73	16	61	r
Tokyo	13	55	7	45	c
AFRICA					
Algiers	21	70	8	46	c
Cape Town	—	—	15	59	c
Casablanca	—	—	12	54	c
Harare	25	77	14	57	s
Lagos	31	88	24	75	sh
Nairobi	24	75	12	54	c
Tunis	22	72	9	48	c
LATIN AMERICA					
Buenos Aires	—	—	—	—	—
Lima	26	79	19	66	sh
Mexico City	28	82	13	55	sh
Rio de Janeiro	—	—	—	—	—
NORTH AMERICA					
Anchorage	10	50	1	34	sn
Atlanta	19	66	7	45	c
Boston	13	55	2	36	c
Chicago	13	55	3	37	c
Denver	14	57	3	37	c
Detroit	14	57	6	43	c
Honolulu	30	86	23	73	c
Houston	24	75	15	59	c
Los Angeles	24	75	13	55	c
Miami	27	81	18	64	sh
Minneapolis	17	63	4	39	c
Montreal	9	48	4	39	c
Nassau	29	84	21	70	sh
New York	12	54	5	41	c
Phoenix	37	91	15	59	c
San Francisco	17	63	11	52	c
Seattle	12	54	5	41	sh
Toronto	9	48	3	37	c
Washington	18	64	8	46	c

cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; st-stormy.

THURSDAY'S FORECAST — CHANNEL: Rough. FRANKFURT: Cloudy. Temp. 16—7 (61—45). LONDON: Showers. Temp. 10—7 (50—45). MADRID: Overcast. Temp. 21—7 (70—45). NEW YORK: Fair. Temp. 16—7 (61—45). PARIS: Rain. Temp. 8—3 (46—37). ROME: Showers. Temp. 16—4 (61—43). TEL AVIV: Not available. ZURICH: Cloudy. Temp. 10—0 (50—32). BANGKOK: Showers. Temp. 36—27 (100—81). HONG KONG: Clear. Temp. 22—18 (72—64). MANILA: Fair. Temp. 34—25 (93—77). BRUSSELS: Fair. Temp. 9—7 (48—45). SINGAPORE: Fair. Temp. 31—25 (88—77). TOKYO: Cloudy. Temp. 15—7 (59—46).

Military Spending: U.S. Reviews Gap

Latest Pentagon Report Cites Japan And Canada for Shirking the Burden

By Michael Wines
New York Times Service

WASHINGTON — The United States, which spent a larger share of its national income for the military budget in 1988 than virtually all its NATO allies and Japan together, has criticized its friends for not doing enough to close the military spending gap in recent years.

In an annual study of military "burden sharing," the Pentagon cited two of the largest and wealthiest allies, Japan and Canada, for what it called below-par contributions to Western defense.

The Pentagon acknowledged, however, that Canada has increased its rate of arms spending in recent years. It also said Japan had significantly boosted its military spending and purchases of U.S. military goods since the report was compiled.

Since 1985, Congress has required the Pentagon to report each year on allied contributions to Western arms expenditures.

This year's report has added significance because the Pentagon is under new pressure to sharply reduce its commitments under the North Atlantic Treaty Organization in light of the reduced Soviet military threat to Western Europe and the disintegration of the Warsaw Pact.

The United States has proposed to reduce its army and air force troops in Europe from 305,000 to 225,000, as part of an East-West agreement to reduce conventional forces in Europe.

Some members of Congress have called for European countries to assume a greater share of NATO military spending to simplify the process of making sharp cuts in Pentagon spending later this decade.

The Pentagon report, which uses several gauges to measure military spending by the United States and 15 allied nations, finds "substantial differences among the burden-sharing and force improvement efforts" of individual countries.

The United States spent $293.1 billion on defense in 1988, or 60 percent of all military spending by the nations surveyed, according to the report.

By comparison, Japan spent $28.9 billion, or 5.9 percent; West Germany spent $35.1 billion, or 7.1 percent; France spent $36.1 billion, or 7.4 percent, and Canada spent $10 billion, or 2 percent.

But when military spending is measured as a percentage of gross domestic product — the sum of all goods and services sold in a nation — the United States, with 6.1 percent devoted to defense, ranks second to Greece, with 6.4 percent.

Britain, Turkey and France also devote relatively large shares of their gross domestic products to military spending, the report said.

The report praised Turkey, Greece, Britain and France for contributing relatively more than their share to the common defense, but called Luxembourg, Denmark and Canada laggards in spending.

Japan is "substantially below par" in military spending as measured by the usual indicators, such as percentage of gross domestic product, the report said. But because Japan is so wealthy, the total amount of money it spent on defense in 1988, $28.9 billion, is larger than all but a handful of nations.

Japan also purchases more U.S.-made products under the Foreign Military Sales program than any other nation, and more than Italy, Britain, France and West Germany combined, the report stated.

A spokesman for the Canadian Embassy in Washington said that the Pentagon report contains "some truth" in its assessment of that country's arms spending.

But he pointed out that Canada has a relatively small population, and said that its spending appears far more robust when measured on a dollars-per-person basis.

He added that the report ignores Canadian contributions of military aid to Turkey, Greece and other less-wealthy NATO members.

Bush Set to Meet With Mitterrand

Agence France-Presse

PARIS — President George Bush is to hold four hours of talks with President François Mitterrand of France focusing on the future of the North Atlantic Treaty Organization when they meet on a Florida island on Thursday.

French sources said Mr. Mitterrand would fly to Miami, where he is to be met by Secretary of State James A. Baker 3d before boarding a helicopter for Key Largo, where Mr. Bush will be awaiting him.

A spokesman for Mr. Mitterrand, Hubert Vedrine, said that France wanted to "preserve a real defense system and a real alliance with the United States" to counterbalance Soviet military power. Foreign Minister Roland Dumas is to hold talks with Mr. Baker.

Bonn Opposition Party Ties NATO Role to Nuclear Arms

Reuters

BONN — The opposition Social Democrats said Wednesday that they believed a united Germany could be part of NATO if all nuclear weapons were removed.

The foreign policy spokesman for the party, Karsten Voigt, said that a unified Germany could be part of the Western military alliance until the North Atlantic Treaty Organization and the Warsaw Pact were replaced by a new pan-European security structure.

But he said that "all nuclear weapons must be removed from German soil."

Chancellor Helmut Kohl, a conservative, has said that a united Germany must be part of NATO. But he has made no demands of the United States and Britain to withdraw any nuclear weapons from German soil.

Neither East Germany nor West Germany possess their own nuclear arms.

Mr. Voigt, whose party will challenge Mr. Kohl's center-right coalition in elections in December, said some Soviet and U.S. troops should remain for a transitional period.

He said that no NATO troops should be stationed on what is now East Germany, which would be defended by "territorial defense units" outside NATO control. These units would be formed from the East German Army and later from united German armed forces.

Japtha Masemola Dies, Prison Mate of Mandela

Reuters

JOHANNESBURG — Japtha Masemola, 60, the South African nationalist who served 27 years in prison along with Nelson Mandela, died Tuesday in a car crash six months after being freed.

Family members said Mr. Masemola, a founder of the Pan Africanist Congress, died after suffering internal injuries in an accident near Pretoria.

Mr. Masemola, South Africa's second longest-serving political prisoner after Mr. Mandela, was responsible for setting up the military wing of the Congress after it was outlawed in 1960.

Three years later he was arrested and given a life sentence for blowing up power lines and sending young blacks out of South Africa for military training. In October, he was freed along with seven others under President Frederik W. de Klerk's program of change, four months before Mr. Mandela.

James P. O'Donnell, 72, Foreign Correspondent

BOSTON (AP) — James P. O'Donnell, 72, a former European correspondent and editor for Newsweek, the Saturday Evening Post and the New York Daily News who wrote a best-seller on Hitler's final days, died Monday of cancer.

Mr. O'Donnell, a professor at Boston University, covered the Nuremburg war crimes trial and the Berlin airlift as Berlin bureau chief for Newsweek from 1945 until 1948. He was a Paris correspondent for the Daily News from 1949 to 1950.

John W. Hundley, 90, Actor and TV Executive

NEW YORK (NYT) — John W. Hundley, 90, a musical comedy singer and actor and a CBS television executive who was in charge of the network's office of censorship for nearly 20 years, died Tuesday.

Until he retired in 1965, Mr. Hundley was editor of program practices, the network's phrase for censorship.

AUTHORS WANTED BY N.Y. PUBLISHER
leading subsidy book publisher seeks manuscripts of all types, fiction, non fiction, poetry, juvenile, scholarly and religious works, etc. New authors welcomed. Send for free booklet H3 Vantage Press, 516 W. 34th St. New York, N.Y. 10001 U.S.A.

We have
Mountains
and
Bikes.
PALACE HOTEL
GSTAAD
SWITZERLAND
Please call:
Phone 030/8 31 31 Telex 922 222
Telefax 030/4 33 44
The Leading Hotels of the World

For Dazed American Eco-Troopers, the Burden Gets Heavier

By William Booth
and D'Vera Cohn
Washington Post Service

WASHINGTON — To save the earth, or at least a little part of it, John and Kathy Dewey do what they can: They fiddle with their thermostat; they recycle their soda cans and jelly jars; the family even banned plastic six-pack rings from their suburban Virginia home so they would not end up in rivers and bays where the plastic could strangle wildlife.

Yet, the Deweys are the first to say they are far from the model eco-troopers that environmental activists would like them to be. Because their neighborhood has no sidewalks, they drive themselves and their children everywhere, even to the shopping center a few blocks away. Because their neighbors encouraged it, the Deweys hired a lawn-care service to bomb their yard with chemical fertilizers and herbicides, which leach into the same waterways as the forsaken six-pack rings.

As a wide coalition of groups, Hollywood celebrities and newly sympathetic politicians prepare to mark the 20th anniversary of Earth Day with a second mass ecological happening Sunday, environmental activists have begun to shift some of the burden to individuals.

With increasing urgency, environmental groups are asking people to commit themselves personally to more ecologically sensitive lives: "to reduce, reuse and recycle," to say no to disposable diapers, plastic bags, hot baths and long drives, and to say yes to cloth diapers, paper sacks, short showers and public transportation.

The potential impact of some changes is indisputable. If every American turned off a 100-watt bulb for an hour and a half a day, for example, it would have the same impact in reducing the carbon dioxide responsible for global warming as planting one billion new trees, a goal recently stated by the Bush administration.

But if the lives of the Deweys are any indication, the greening of American life will be filled with contradiction and confusion. Like the Deweys, many citizens are trying to do the right thing while listening to claims and counterclaims.

Most Americans believe that the natural world is in worse shape now than two decades ago. Scientists have offered a series of increasingly dire scenarios about the effects of overpopulation, global warming and ozone depletion. Surveys and interviews show that Americans are infused with worry about the health of the planet. In a nationwide Washington Post-ABC News survey of 1,016 adults taken last month, more than half of those polled thought the world faces "an environmental crisis."

"I get emotional about it," said Ethyl Treatman, an instructor at Gallaudet University, expressing an increasingly common reaction. "I hate feeling this helplessness. It's all so big, so global. The problems are so pervasive."

Against this backdrop of dread, many Americans confess that they are not sure exactly what to do or what should be done about the environment. Many feel guilty about their own lifestyles, for no longer is the enemy limited to a dirty factory or a nuclear power plant. While the Post survey found that 44 percent of respondents believed that polluting companies were most to blame for endangering the environment, 27 percent thought apathetic citizens were most at fault.

"Through government action, we seem to have reduced the worst sins of industry, but we've replaced these with the sins of the consumer," said John Dewey, a physician.

In anticipation of Earth Day, environmentalists have issued a wave of books to guide personal environmental choices in the grocery and at home. Filled with thousands of dos and don'ts, they leave little to imagination: From the profound to the trivial, it is all there.

"Study and work by daylight whenever possible," cautions the pamphlet "Save It!" produced by the Corporation for Public Broadcasting. Diane MacEachern's book "Save Our Planet" advises: "Don't peek into the oven when something is cooking." "Avoid impulse buying," warns "The Green Lifestyle Handbook."

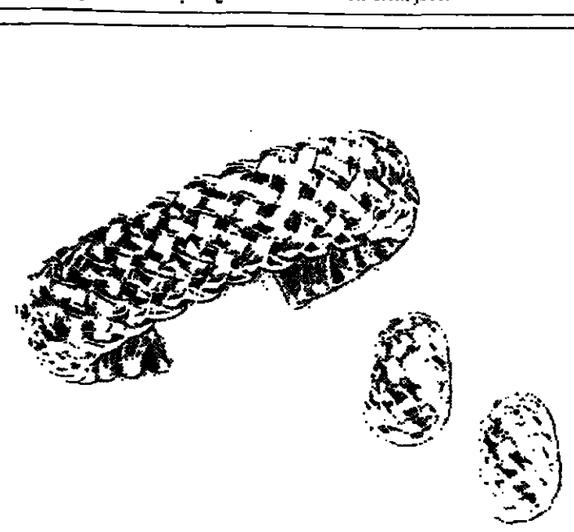
Yet, many citizens say they are dazed by all this and unsure of the true impact of their good deeds. Is it more important to recycle or give up disposable diapers? Choose paper or plastic at the grocery? Not peek into the oven or work by daylight? The Post poll found that about half of those surveyed were confused about what to do.

Because environmental leaders have been reluctant to list priorities for consumers or to stress which actions are crucial and which ones are almost meaningless, many citizens say they feel more suspicious than empowered.

With no agreed-upon priorities, individuals are on their own to pick and choose from among the 1,001 ways to save the planet. But the picking and choosing leads to inconsistencies. In many cases, one action may cancel another.

Take Ethyl Treatman, who shares a house with four other people in Chevy Chase, Maryland. She and and her housemates have converted their laundry room and pantry into a recycling center crammed with boxes of beer bottles and soup cans, stacks of yellowing newspapers, chunks of cardboard and leaning towers of plastic margarine tubs and yogurt containers.

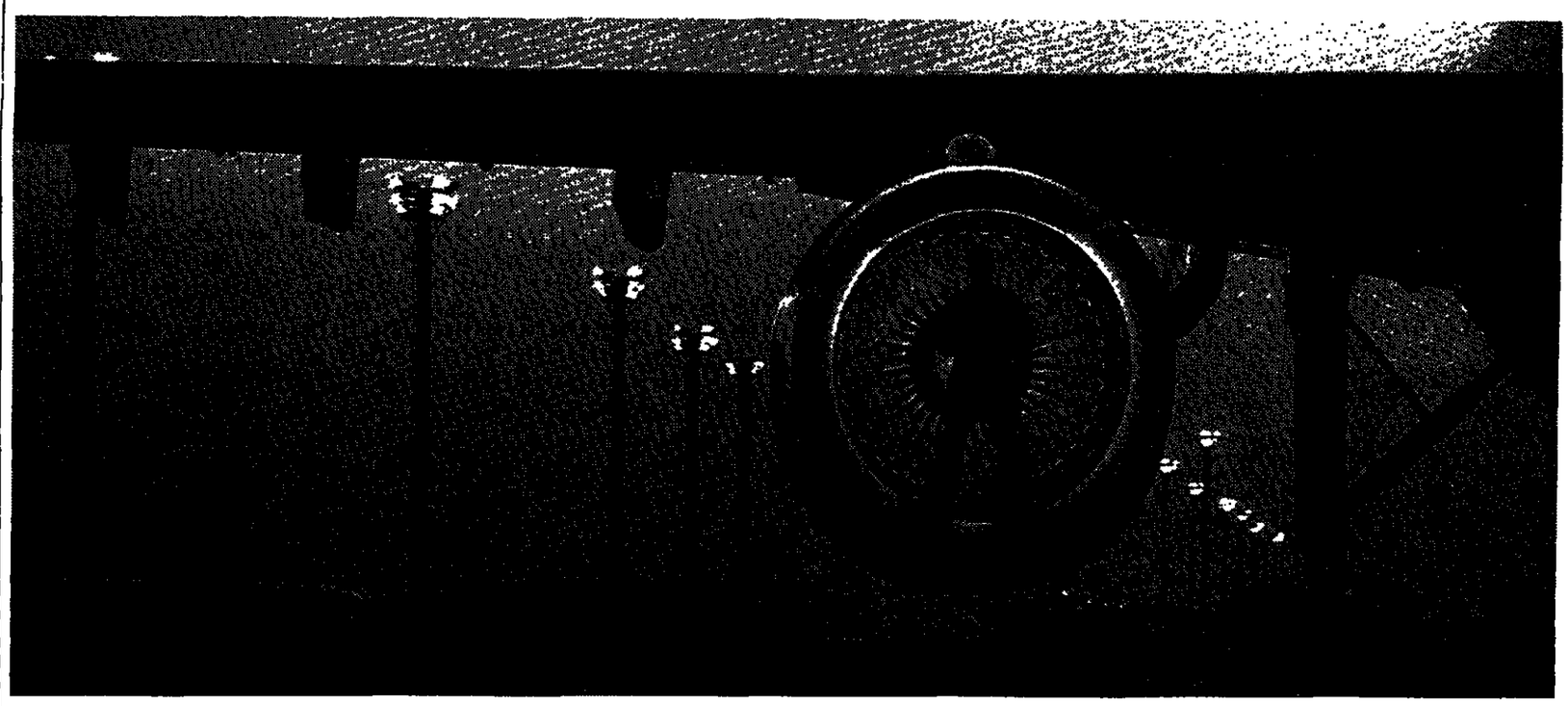
But as heroic as they are about recycling, the group may undo many of their environmental gains by one act each day — driving five cars to five different jobs.



The Vannerie Collection
Eighteen karat gold delicately woven into
exclusive designs from Tiffany's "Vannerie" collection.

TIFFANY & CO.
NEW YORK FIFTH AVENUE AND 57TH STREET LONDON 25 OLD BOND STREET
MUNICH RESIDENZSTRASSE 11 ZURICH BAHNHOFSTRASSE 14
HONG KONG THE PENINSULA & THE LANDMARK TOKYO AT MITSUKOSHI

A LOT OF PEOPLE KNOW OUR AIRPLANES INSIDE AND OUT.



NAMELY OUR MECHANICS. BECAUSE AT PAN AM EVERY AIRPLANE UNDERGOES FREQUENT PREVENTIVE MAINTENANCE. NO OTHER U.S. CARRIER SPENDS AS MUCH ON MAINTENANCE PER AIRCRAFT OPERATING HOUR AS PAN AM. IN FACT, MORE THAN $350 MILLION IS ALLOCATED FOR 1990 ALONE. IT'S NO WONDER OVER 30 OF THE WORLD'S AIRLINES TRUST THEIR MAINTENANCE TO US. ALL GOOD REASONS TO FEEL CONFIDENT THAT WHEN YOU CHOOSE PAN AM, YOU'VE MADE THE RIGHT CHOICE.

PAN AM
WE'RE FLYING BETTER THAN EVER℠

Herald Tribune INTERNATIONAL
Published With The New York Times and The Washington Post

OPINION

Africa's Horn of Death

Two purposes weave in and out of the policies of Ethiopia and its secessionist challengers in Africa's longest-running war. One purpose has been to defeat the enemy's soldiers, the other is to starve its citizens. In turn, one set of outsiders, including the Soviet Union, Ethiopia's patron, and various Arab governments and now the Israelis have been sending in the arms that sustain the fighting. Another set of outsiders, including the United States, has been providing relief. This has produced a situation with two crucial balances. In the military balance, the Ethiopian military seems to be sliding back; rebels from Eritrea and Tigre are moving ahead. In the relief balance, the Ethiopian and Eritrean and Tigrean peoples are faced with tremendous further suffering and loss.

The Horn of Africa no longer gets the strategic attention it received from Americans and Soviets at the height of the East-West tensions, and in the United States, anyway, few argue that it should. This is to the good: It leaves both superpowers searching out common ground and recommending conciliation to the warring parties. But as everyone has been reminded by the Soviets' difficulties in Lithuania, these are difficult issues, and the parties in Ethiopia are resisting conciliation. Facing hard times on the battlefield and cutbacks of its old Soviet (and East German) aid, a stubborn and cruel Mengistu government insists that the rebels be brought to heel. The rebels sniff victory. This is what makes them ready to defy the very international relief donors who kept their people alive in the past.

There is a temptation to cross one's fingers and hope that the fighting ends soon enough to permit relief to flow. Fortunately, the relief agencies and those in the United Nations and member countries who support their work are not waiting for this to happen by itself. In neighboring Sudan, with its own horrible civil war, a fresh agreement has just been hammered out in which government and rebels promise to open "corridors of tranquillity" to let relief trucks and planes through. One of those involved in "Operation Lifeline Sudan," Representative Frank Wolf of northern Virginia, sees it as a model for Ethiopia, where intense international pressure has produced only a small similar breakthrough.

Even if the fighting does end, the tension may not be over. The superpowers are disengaging, but nearby countries still and again vie for influence in a region whose ethnic, political and religious divisions afford plenty of handles. But that's tomorrow. Today the priority is to save the millions of people who look into the future and can see only war and famine.

— THE WASHINGTON POST.

6,796,501 Secrets

The U.S. government is no slouch at manufacturing secrets. Discovering the exact number of them has been a statistician's nightmare, despite the best efforts of the Information Security Oversight Office, established in 1978 to oversee classified information. Different agencies counted differently. Until 1985, the Defense Department recorded only "traffic messages" — electronic data that could be tallied centrally. That undercounted the number of classification decisions. The oversight office devised new procedures, but the navy inflated the results by counting all the classified documents that fell into its hands, not just those it originated.

Armed with even tighter guidelines, the oversight office thinks that 1989's figures are the most reliable ever, and a benchmark for future tallies. The number of new secrets in 1989? A grand total of 6,796,501 — 13 per minute. Even with the Cold War ending, there is obviously not a secrets shortage.

But as tensions ease there may be a secrets shrinkage. The oversight office is eager to see how 1990's numbers are distributed. More State Department secrets could mean stepped up diplomatic activity. Fewer Defense Department secrets could mean less anxiety at the Pentagon.

— THE NEW YORK TIMES.

Peru Needs a Change

Peru, under its outgoing president, Alan García, has wasted five years. The country was in deep and urgent trouble when he came to office in 1985. As Peruvians now go through the process of electing Mr. García's successor, they face choices similar to those five years ago. The chief difference is that this time their troubles are deeper and the country is much poorer.

President García provided tax cuts and easy money, producing a couple of years of feverish prosperity for Peru and high popularity for him. But the binge collapsed two years ago. Now the country's output is 20 percent lower than in 1988, and the inflation rate is something like 2,700 percent a year. On top of that there has been a drought, damaging agriculture and reducing hydroelectric power. It is hardly surprising that Mr. García's party — and in fact all parties — ran extremely badly in the first round of the election on April 8.

The race now lies between two nonparty candidates, the novelist Mario Vargas Llosa and an out-of-nowhere challenger, Alberto Fujimori. There is an important difference between them. Mr. Vargas Llosa is a realist who promises Peru the kind of reform and economic restructuring that it desperately needs; that means, among other things, a period of rigorous austerity. Mr. Fujimori, sounding disquietingly like Mr. García five years ago, has been very vague about his intentions. In the runoff, probably to be held in early June, he clearly hopes to pick up the votes of people who don't like the sound of Mr. Vargas Llosa's austerity. Mr. Fujimori was to have laid out his plan of action at a press conference this week but he never showed up. His wife said he was suffering from indigestion.

It is conventional to blame Peru's decline on its immense foreign debts. But in the García years the debts have had minimal effect, since the country has been paying little of the money it owes. Peru is Latin America's great example of the truth that defaulting on debts does not necessarily produce prosperity.

Peru's chaotic politics reflect a society that is profoundly divided. It is dominated by a small middle class of European or, as in Mr. Fujimori's case, Asian descent who disproportionately possess the country's resources of wealth and education. Most of Peru's people are Indians living in deep poverty, and the disparity has generated a savagely violent guerrilla movement, the Shining Path, which has brought parts of the country close to a state of civil war. Peru needs a president capable of bringing order and stability to its economy, but economic reform is only the first step in governing the country.

— THE WASHINGTON POST.

Blacks Raise Their Voice

In Milwaukee, a black alderman has called for a black militia to wage "urban guerrilla warfare" — actual violence — unless "racial parity" is achieved in the city by 1995. In Teaneck, New Jersey, black youths angered by the killing of a black teenager by police erupted in violence after a prayer vigil. In Harlem, the pastor of a famous black church is campaigning to paint over billboards carrying cigarette and liquor ads because, he feels, blacks are disproportionately victimized by both tobacco and alcohol. And in Brooklyn, a black neighborhood is boycotting a Korean grocer for allegedly abusing his black customers.

In American cities and some suburbs as well, a new militancy is evident among African-Americans. It takes different forms, not always laudable, but each instance is a reminder of an old agenda overshadowed by the thawing of the Cold War and forgotten by all except those whose circumstances won't let them forget.

Milwaukee is a case in point. Alderman Michael McGee's call for a black militia was actually a dramatic attempt to call the city's attention to the desperate situation of African-Americans there. The first item on his list of three demands was a $100 million emergency jobs program. That is jobs, not welfare — or certainly no more welfare than is involved in the jobs of featherbedding union members or business executives on golden parachutes. The emergency is clear. While overall unemployment in Milwaukee is about 5 percent, it is 25 percent among blacks. And 40 percent of Milwaukee's blacks live in poverty. What justifies his militancy, says Mr. McGee, is not just desperation but also Milwaukee's ability to act decisively when it wants to. He points to the city's exertions on behalf of its sports teams, including a baseball stadium that could cost $100 million.

The same densely compacted, highly distilled poverty and disadvantage exist in virtually every American city. And as the recent events in Teaneck indicate, the problems for blacks, including poor relations with police, do not end with affluence and a move to suburbia. Talk of armed militias understandably frightens many people. But those who listen will hear a cry of anguish over unyielding poverty, joblessness, bad education and health care; a demand for compassion leading to practical help, and a determination not to settle for a degrading status quo.

— THE NEW YORK TIMES.

Other Comment

Statesmanship for Kashmir

Indian Prime Minister V. P. Singh's tough line in Kashmir has not quelled dissidence. Did he think it would? When members of the opposition are arrested, real terrorists surface. Another sovereign state in South Asia, such as an independent Kashmir, which many of the dissidents seek, would hardly lead to progress and tranquillity. The alternatives to Indian rule, in other words, are not necessarily more attractive. Meanwhile, the communal strife calls for statesmanship in New Delhi and Islamabad, but is not producing any.

— The Baltimore Sun.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, *Chairman 1958-1982*

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUEBNER, *Publisher*

JOHN VINOCUR, *Executive Editor* • WALTER WELLS, *News Editor* • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • CARL GEWIRTZ, *Associate Editor* • ROBERT J. DONAHUE, *Editor of the Editorial Pages* • REGINALD DALE, *Economic and Financial Editor*

RENÉ BONDY, *Deputy Publisher* • RICHARD H. MORGAN, *Associate Publisher* • FRANÇOIS DESMAISONS, *Associate Director* • JUANITA I. CASPARI, *Advertising Sales Director* • ROBERT FARRÉ, *Circulation Director, Europe* • KOURDT HOWELL, *Director, Information Systems*

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 612718; Production, 630698.

Directeur de la publication: Richard D. Simmons

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel.472-7768. Tlx: RS36928 Mng. Dir. Asia, Rolf D. Kruenpuhl, 50 Gloucester Rd., Hong Kong. Tel. 8610616. Telex: 61170 United Kingdom, Herald Tribune House, 63 Long Acre, London WC2. Tel. 836-4802. Telex: 262009 Gen. Mgr. W. Germany: W. Lauterbach, Friedrichstr. 15, 6000 Frankfurt/M. Tel. (069) 726755. Tlx: 416721 Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Telex: 427175 S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337

© 1990, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

Help the Three Systems Sing in Harmony

By Sylvia Ostry

TORONTO — By the end of the 1980s, "globalization" had become the term for accelerating interdependence. This third wave of international linkage, after the expansion of trade and the internationalization of financial markets, is dominated by flows of investment and technology and by increased international *corporate and research networking.*

The primary agent of globalization is the transnational enterprise. The primary driving force is the revolution in information and communication technology.

Like each phase of tightening linkage, globalization enhances opportunities for growth but also increases risk and vulnerability. Growth is enhanced by improved efficiency and more rapid production and adoption of new technology. Risk is heightened because globalization creates growing pressure for convergence of policies, a pressure which touches the exposed nerve of sovereignty.

In a globalizing world, competition among transnational enterprises in sophisticated products and services (an increasing proportion of world trade) is also competition among systems. A globalizing world has a low tolerance for system divergence — and that is the wellspring of new sources of international friction, most clearly apparent today in the "trade" dispute between the United States and Japan.

The Structural Impediments Initiative, aptly termed "store wars" because a primary focus is the Byzantine Japanese distribution system, is at heart a dispute about fundamental differences in domestic policy in the two countries. These policy differences are themselves a product of distinctive histories, cultures and institutions. Although the present tension with Japan is couched in trade terms and Americans complain of the differences in market access for goods and services in the two economies, the new sources of international friction will also increasingly focus on assymetries in investment and technology access as well.

If 'store wars' is a forerunner of the new international friction, the outlook for the liberal multilateral trading system is bleak.

If "store wars" is a forerunner of the new international friction, the outlook for the liberal multilateral trading system is bleak.

The SII covers a wide range of subjects — macro and micro policy, corporate culture, consumer tastes. Despite the euphoria over this month's "breakthrough" in the negotiations, tying such an unpromising mélange directly to demonstrable results in the bilateral trade balance carries a high risk of failure and of once again inflaming congressional animosity and increasing the pressure for managed trade arrangements.

Managed trade, targeted on quantitative market share, will — perversely — serve to increase the divergence between the Japanese and American policy systems by encouraging more "administrative guidance" and collusive behavior among firms in Japan. It will, as well, generate increasing uncertainty and instability in the international economy as the European Community reacts to U.S. unilateralism.

In this new area of international friction stemming from system competition, if the alternative to managed trade is policy convergence, what does this mean in practical terms? For the global corporation competing in the international economy, it means competing under the same set of rules — that is, the same set of domestic rules in different countries.

But this alone is too broad a definition, and suggests an effort to harmonize everything (policies, customs, culture), which is impossible as well as undesirable. It is not difficult, however, to specify key policies to target for harmonization. These would include:

- trade policies — especially standards, government procurement, subsidies, intellectual property, anti-dumping rules;
- competition policy (different rules or different enforcement of rules create markedly different market structures and business behavior within the OECD);
- technology policy — for example, government-led consortiums such as Joint European Submicron Silicon (Jessi) in Europe, Sematech in the United States and a range of MITI-inspired networks in Japan should be open to foreign access on a reciprocal basis; subsidies should be made transparent and harmonized, and so forth;
- investment policy — both explicit and more complex barriers to access arising from securities regulation, etc.;
- capital market regulation. Differences in the cost of capital depend on macro forces such as savings behavior, fiscal policy and inflation, but also on capital market structure (for example, the role of banks, and regulation on linkages between banks and commercial firms), which affects the cost and time horizon of investment.

Convergence in these policies within the OECD, and especially in the triad of the three major trading blocs — the United States, Europe and Japan — would reduce system friction and lessen asymmetry of access in trade, investment and technology. Competition among transnational corporations would still be fierce, but at least with similar rules the game would be, and would be perceived to be, "fairer."

It is important to recognize, however, that even with policy convergence, systemic differences would remain. The grand ideological debate between the capitalist West and the Communist East sometimes created the illusion that there was only one model of a market economy. In fact there are three dominant models, and the differences among them are increasingly significant as the struggle for competitiveness heats up.

Over the longer run, globalization and system competition itself will gradually produce greater convergence.

The U.S. paradigm of a pluralist market economy is strongly consumer- and short-term-oriented. Its strength is dynamism and flexibility. Producer interest groups generate an ad hoc, "implicit" industrial policy response from government.

The Continental European models are variants of the social market economy and involve more extensive government interaction with the "social partners." Policy is more planned and more strategic.

The Japanese corporatist market economy is unique in its long view; in its producer orientation, and strategic use of cooperation and competition; in the close and continuing interface of the state with business.

(It is of interest to note that in several respects the Continental, especially the German, model is closer to that of Japan than to the U.S. paradigm. The Mitsubishi-Daimler-Benz alliance may be a sign of the future.)

These different models are historic and cultural in origin, and efforts to force the pace of system convergence beyond the policy areas designated above will be strongly resisted and will generate serious dissonance.

There is no need to replace star wars with store wars. Over the longer run, globalization and system competition itself will gradually produce greater convergence. The objective should be to create rules that require not singing in unison but singing in harmony.

The writer, a former chief economist at the OECD and senior Canadian trade official, is chairman of the Centre for International Studies at the University of Toronto. She contributed this comment to the International Herald Tribune.

This Time Thatcher Pounced One Bound Too Far

By Colin Hughes

WASHINGTON — For years now I have watched Margaret Thatcher bound gaily on like a golden Labrador enjoying second youth, apparently oblivious to the fact that she was running headlong at a barbed wire fence. Now that she is being politically torn to ribbons, it is hard not to feel a little sympathy. But it is not as if she wasn't warned.

Politicians elsewhere should stand back a pace and learn from her miscalculation. It is far from incidental that a new British tax has served to focus a pre-existent disillusion with Mrs. Thatcher's politics. The reasons for its adoption — and the complete inability of members of Parliament in her party to stop her from adopting it, even though most of them knew it was politically insane — make the introduction of the poll tax the single most representative act of this, the final phase of Mrs. Thatcher's tenure.

Dazzled by her astounding supremacy over the British political scene, leaders elsewhere in the world concluded that her "no turning back" determination might be the key to successful modern democratic leadership. In fact, Mrs. Thatcher is being shredded by the very qualities of instinct and intractability that remote observers so admired.

Beware, George Bush, of tax pledges that may not forever be wise. Beware, Democrats contemplating Social Security, of opening ancient Greek boxes with misleading labels. Do not imagine that the most vociferous protesters are always right. Do not imagine that voters' attitudes toward taxation are immutable. (As personal circumstances change, so do opinions.) Do not, above all, believe that the absence of dissent among your loyal supporters means that your political promontory is unassailable.

Mrs. Thatcher was elected in 1987 by the largest parliamentary majority in this century on a platform that very clearly stated her resolute intentions to implement the poll tax. She understandably took her party's victory as a clear mandate for the contents of her manifesto. But almost none of the people who voted Conservative actually wanted the poll tax. They simply did not want the Labor Party in power, because they dared not risk the economic gains they had made in the preceding decade.

The large majority of property-owning middle Britain, while it may not believe in absolute equity, holds a strong faith in fairness.

The chances are that Mrs. Thatcher had no idea what it would mean when she pledged to introduce the poll tax. The prime minister, for all her indisputable political skills, has never had much of a head for detail. In this case, her lack of interest in the complexities of local government taxation was exacerbated by her insistence on abolishing the old system, simply because she had once promised to do so.

Local councils — the equivalent of municipal and county governments in other countries — fund and administer a wide range of expensive services. During the 1970s, about half of their spending was covered by a central government grant paid out of national revenue. The other half was derived from two local property taxes known as "the rates": domestic rates, levied on all home owners, and business rates, levied on commercial and industrial properties.

From Mrs. Thatcher's perspective there were two things wrong with the system. First, single old people with large homes (such as the blue-rinsed, pearl-necklaced women who make up a substantial body of the Conservative Party's rank and file) often paid a larger amount of local tax than, say, a high-earning couple in a small flat.

Those single women also lived in older properties whose "rateable value" had not been reassessed for donkey's years. Successive governments had delayed such a national reassessment of the property values on which each household's rates were calculated. For that reason alone, Mrs. Thatcher had promised way back in the mid-1970s that she would abolish the rates, even though she had no idea what might replace them.

That abolition pledge went into her 1979 manifesto, because she assumed that her most loyal constituency — conservatives like herself, decent ladies in their later years — must be right. She placed unstinting faith in their conviction that domestic rates were an abomination.

Local government, Mrs. Thatcher also thought, was the worst culprit in Britain's long record of governmental excess and waste. She was determined to restrain and cut its spending by all possible means. At first she tried simply cutting the central government payments. Councils just increased rates. That made the old ladies even more irate.

Twice during her first term of office she instructed her ministers to find an alternative to domestic rates. Twice her ministers returned with several other options, alongside the recommendation that she should do nothing: Any alternative to the rates would, they affirmed, be in one way or another worse. Some alternatives, like the poll tax, would be grossly unfair. Others, like local income tax, would enable councils to blow their spending through the roof.

Finally, a revaluation of properties became unavoidable. At that point — in 1985 — it became clear that it would be as politically explosive to retain the rates as to abolish them, because the new property values would cause some householders' rates bills to double or quadruple, while others would pay less. Every opposition party concluded, like Mrs. Thatcher, that keeping the rates in their previous form was unacceptable. They had to be either replaced or reformed. The centrist parties opted for a local income tax. Labor opted for reforming the property tax to make it more fair.

At that point, Mrs. Thatcher lost her marbles. She decided to replace an admittedly inequitable tax with an even more inequitable one, simply because she was told that the poll tax would, by being such a sharply regressive form of taxation, drive voters to evict local administrations that spent more than they, the voters, were willing to pay.

By confusing her motives, Mrs. Thatcher trapped herself into a politically and administratively senseless solution. She was told the truth — that more than half the population would scream. But she dismissed that warning. She prided herself on having imposed unwanted but ultimately successful measures before. For her, the tax was vindicated by its unpopularity.

But the poll tax is one step too far. It symbolizes Mrs. Thatcher's alienation from her proper constituency — that large majority of property-owning middle Britain which, while it may not believe in absolute equity, holds a strong faith in fairness.

Do not listen to commentators who tell you that she has recovered before, and that she can recover again. This is different. She was warned. She will not be forgiven.

The writer, a correspondent for The Independent in London, contributed this comment to the Washington Post.

Here Comes Berlin, a Capital Again

By Giles Merritt

BERLIN — The Brandenburg Gate, where Eastern and Western Europe meet, is covered in scaffolding. No doubt it is being cleaned up in readiness for its starring role when Berlin becomes the capital of a reunited Germany and also the political and cultural crossroads of northern and central Europe.

The mood of Berlin is one of a city gladly preparing to resume its former glory. For the past 45 years Berlin has been a symbol of division, but before long it will come to symbolize unity. Although there are many practical problems yet to be resolved concerning German unification and Berlin's status, the atmosphere in the streets of the city is of a monarch whose restoration to the throne has become inevitable.

For all but those Europeans who are old enough to remember prewar Berlin, the city has long been an oddity — a highly subsidized showcase for West Germany's economic successes. It has been a convention center and a tourist attraction, a university campus and a science park, but it has not been a genuine city. Difficulties of access and Berlin's Four Power status have meant that the enclave of West Berlin remained a curious anomaly.

But once the Berlin Wall truly comes down (there are still only two main crossing points), it is easy to see that the city will overnight become a fitting capital for greater Germany. Laid out spaciously and with grandeur by the kings of Prussia, and notably by Frederick the Great, Berlin has the wide avenues, leafy parks and imposing public buildings that Bonn so sadly lacks.

When the wall is gone, the treelined avenue of Unter den Linden will sweep from the Brandenburg Gate to the ancient center of the city that the East Germans have so painstakingly restored. On its outskirts, Berlin has lakes and forests in plenty, offering ample room for newcomers to be housed in very pleasant surroundings. Unlike most if not all of the world's leading capital cities, Berlin has space in plenty, since its population is today almost a million less than 50 years ago.

The signs are that Berlin will quickly find a role to play at the center of events in Eastern Europe, and will probably do so even before German reunification is completed and the city is formally restored as the German capital. There is strong pressure from Germans for the new European Bank for Reconstruction and Development to be located in Berlin, and despite a rival bid by London the odds are shortening that the new institution to help finance economic assistance in Eastern Europe will go to Berlin.

Another important pan-European function that could wind up in Berlin is the Conference on Security and Cooperation in Europe, the negotiation process set up 15 years ago by the Helsinki accords and whose 35 member countries group all of Eastern and Western Europe and the United States and Canada. Currently meeting in Bonn for the arms reduction negotiations, the homeless and staffless CSCE is being pointed to as a useful new Europe-wide institution that might offer a framework for East-West cooperation and security agreements.

How soon could Berlin become a capital once more? Assuming that reunification proceeds at the pace that the governments of both parts apparently favor, the answer could be by 1992. The scenario being put forward by some influential Germans is that after the federal elections in December and a pact on German economic and monetary union, an all-German general election might even be held during 1991.

There could be no question of the elected representatives from East Germany sitting in the Bundestag in Bonn. The new German parliament would therefore sit in the Reichstag, that most symbolic of buildings, which for so many years has been standing forlornly empty in West Berlin within a few yards of the wall. Once the parliament is back in the Reichstag, then bit by bit the whole machinery of federal government and diplomatic representation in Germany must also return to Berlin.

International Herald Tribune.

The West Is Abettor In Burma

By John Ralston Saul

TORONTO — How can a president who devotes much of his State of the Union message to the war on drugs close his eyes when U.S. companies prop up the most important drug-linked regime in the world?

And why did George Bush bother sending 25,000 men to Panama to remove a minor drug dealer, Manuel Antonio Noriega, when in Burma the authorities get large annual payments from the drug warlords who supply America with half of its heroin?

The inconsistency doesn't stop there. The United States has used the Trading With the Enemy Act against Vietnam for the last 15 years, yet it has not invoked it against Burma. If the "war on drugs" rhetoric means something, then the regime in Rangoon is engaged in a major attack on the United States.

Is it hypocrisy or confusion that drives Western foreign policy in Southeast Asia? Or is it willful ignorance? While the fate of 6 million Cambodians is agonized over, that of the 40 million Burmese next door attracts virtually no interest.

Little separates the methods of the Burmese authorities from those of the Khmer Rouge in Cambodia. Yet the United States and other Western governments have only cut off their little bits of aid to protest repeated acts of violence, torture and imprisonment by the Burmese government. At the same time they are permitting the immediate replacement of that hard currency by Western corporations investing there for the first time.

The Burmese government's deep involvement in drugs and repression is being demonstrated at this very moment. With the annual drug caravan season about to begin, Khun Sa, the leading warlord, is fighting a hill tribe called the Wa for control of a key opium trail near the Thai border. A short distance to the south, the Burmese Army has launched a major offensive to wipe out the Karen minority, who only want a less restrictive federal constitution for Burma.

The government shows no intention of moving its troops north to attack the drug armies. This year's record opium harvest, reduced to the finest-quality heroin, will soon be on its way to America's cities.

U Ne Win and his generals have reduced the richest country in Southeast Asia to such an impoverished state that, with a few hundred million dollars of hard currency per year the system can be run and enough will be left over to fill the generals' pockets. Until the repression of 1988, these funds were provided by a combination of foreign aid and drug money. Today they consist of foreign investments and drug money.

Some people in Washington believe that opening up Burma to foreign investment represents an opportunity for political liberalization. They are wrong. Foreign investment is the single most important element keeping the generals in power with their repressive policies and support of the drug lords.

Have President Bush or his officials said anything to the executives of Coca-Cola about the commercial agreement they signed in Rangoon? Or to Unocal and Amoco? Their recent oil exploration contracts have provided the Burmese government with a veritable lifeline. Of course, they aren't alone.

British, Canadian, Japanese, Australian and South Korean oil companies are also involved. Nine corporations, all from countries that are both American allies and devoted to the war on drugs, are investing in Burma. The largest new investor is Thailand. Have Washington or its allies pressed Bangkok to restrain itself? How could they, when they are themselves guilty of the same greed?

Rangoon has organized national "multiparty" elections for May 27, yet all the major opposition figures have been arrested, including Daw Aung San Suu Kyi, the leading voice for sensible change. The prisons are full, torture is widespread and districts are being forcibly evacuated. There will be no foreign observers on election day.

The UN Human Rights Commission has begun an investigation of Burma, but the process is too slow. What is needed is immediate action. The regime is so weak that a block on foreign investment could at the very least force it to release the opposition leaders and permit foreign observers.

There is no hope for the Burmese or for relief from the heroin traffic unless the regime changes. Five weeks remain in which to make that change possible.

Mr. Saul, a novelist, writes frequently about Southeast Asia. He contributed this comment to The New York Times.

100, 75 AND 50 YEARS AGO

1890: Zola Causes a Stir

PARIS — A wild rumor went round the Bourse yesterday [April 18]. "M. Emile Zola has come to put us in his new book!" members exclaimed. It is well known that M. Zola intends to continue his Rougon-Macquart series by a novel dealing with the world of finance and, as is his custom, is studying his scenario from life. When it became known that M. Zola was on the Exchange, the *boursiers* evinced as much curiosity to get a glimpse of him as if he had been some strange wild animal. M. Zola accordingly beat a precipitate retreat, and will surely don a disguise next time.

1915: Germans Reinforce

LONDON — Budapest, as well as Vienna, is feverishly constructing defences. The Germans are pouring reinforcements into the eastern wing mainly of the Karpathian front, and their strength is estimated there at ten full army corps. The German Emperor is apparently sending Bavarians, Saxons and others as far away as possible, to the Bukowina and Eastern Carpathians, while concentrating his own Prussian front troops near home.

1940: Kid McCoy Dies

DETROIT — Norman Selby, better known as Kid McCoy, former middleweight champion, was found dead here today [April 18] in a lodging house. He was sixty-seven. McCoy, rated by sporting writers as one of the greatest boxers of his class, was found guilty of the fatal shooting of Mrs. Theresa Mors in Los Angeles in 1924 and was sentenced to ten years in manslaughter charge. McCoy's matrimonial ups and downs were almost as colorful as his career in the ring. He was married nine times, three of them to the same woman — Julia Woodruff. On his release from prison he told reporters: "Liquor and Kid McCoy don't mix. I'm not knocking and I'm not preaching. I'm the same old Kid. Just learned a few things, that's all."

OPINION

Earth Day? It's Feel-Good Politics

By George F. Will

WASHINGTON — "We are the world, we are the children . . ." The latter certainly is true. Witness America's zest for short-term crusades and cost-free weekend idealisms, as in Earth Day II. (It deserves Roman numerals, like a Super Bowl.)

"What are we going to do on Earth Day, Daddy?" asks a 9-year-old girl of my acquaintance. If she has been rigorously conscripted and is marching in lockstep with all of America's children (if she is not, it is an Earth Day II oversight), she will busy herself badgering her father about (these are the thoughts of Chairman Hayes — Denis Hayes, chairman of Earth Day II) "what kind of light bulbs do we use, do we have a flow restricter on our shower head, are we having an appropriate diet, is our car the most efficient vehicle that meets our needs?"

Great. Egged on (or so Chairman Hayes hopes) by her teachers, this daughter-as-commissar is going to pioneer new dimensions of pre-teen obnoxiousness. Does Chairman Hayes know what an environmental disaster a 9-year-old is? The subject of her diet is not for the squeamish, she has never turned off a light, her complaint about my cars is that the van does not have a VCR and, as for showers, don't get me started.

The MTV cable network is currently inoculating America's young with (among many other things) the emphatic if vague injunction to "save the planet" (as Hard Rock Cafe sweatshirts also enjoin). This week the rest of the media have joined the serried ranks.

America now has saturation journalism: CNN forever, one network or another from before dawn until after midnight, all-news radio, and radio call-in shows, which are broadcasting's equivalent of letters to the editor. Saturation journalism is like a shark, unsleeping and insatiably ravenous for new subjects to devour.

When the media all jump feet first, on cue, into the coordinated manipulation of public opinion, as with this week of environmental "concern," they are doing something rather different from just covering the news. And one result is the reduction of complex issues to a pudding of trendy simplifications and synthetic anxiety and indignation.

Naturally, human progress puts stress on nature. The mission of modernity is to expand the dominion of humanity by shrinking the rule of necessity. However, the hidden agenda of some environmentalists is to expand the dominion of some people's political will over others.

The current surge of environmentalism coincides with the thawing of the Cold War in a way that puts an exclamation mark at the end of a decade of electoral roots for the traditional agenda of the left. That agenda evolves over time but has one constant: the expansion of state direction over society, and the expansion of control of the regulating state by a clerisy claiming privileged insights into the unfolding future.

Hence the hatred — not too strong a word — of some environmentalists for the automobile, that symbol and servant of the individual discretion for the masses. There is no more direct route to the regulation of the masses than restrictions on consumption, especially energy and transportation. Thus the slogan of some European conservatives: The green tree has red roots.

This is not to say that any particular environmental argument is sublimated politics, or otherwise pernicious or misguided. It is to say that some skepticism is in order when the media fall into line behind a political line, such as: The "environment" — a noun that denotes rather a lot — is in critical condition and getting worse.

To govern is to choose, usually on the basis of inadequate information, partly because of the pressure of events. Earth Day II will gin up pressure (evanescent, thankfully) for choices where information is especially problematic — in environmental sciences. Regarding a range of subjects from climatic change to global warming (they are not the same subject) to the dangers of asbestos, there is on today's fast-rolling political bandwagon a high ratio of certitude to certainty.

Democrats hoping to ride the environmental wave into the White House should understand that it is an issue perfect for the brush-and-dash politics of the Bush administration. As with education, transportation, deficit reduction and other matters, the policy — style, really — is right-minded gestures, ringing rhetoric and pep talks, then a quick change of subject before the tacky matter of costs comes up.

Bushism is feel-good politics, adding self-satisfaction to the material comfort of the comfortable. It is highly popular and applicable to any issue. It feeds the media and makes for pleasant weekends of unexacting moralism. We are the children.

Washington Post Writers Group.

Hello, Federal, Hear This And Do Have a Nice Day

By Edwin M. Yoder Jr.

WASHINGTON — The phone rang. "Is this Edwin?" a strange voice asked. In my usual Walter Mitty fashion, I began grinding my teeth and imagining sharp retorts — such as: "That's what my kinspeople and old schoolteachers call me, but no others, and certainly not total strangers. Is it your policy to call customers by their first names?"

Instead, I meekly said: "Speaking."

"It's Federal Express," the voice cheerfully continued. "Your package will be delivered before eleven this morning. Thanks, Edwin."

I write this in Earth Week, and perhaps it will be thought frivolous to pass over ozone depletion and rain forest

MEANWHILE

burn-off to write about a less mortal menace. But really, he who robs me of my surname robs me of that which not enriches him and leaves me poor indeed. Nothing less than Shakespearian language adequately conveys the outrage.

I first noticed the onset of this horrible trend when my children reached the age when they began bringing new friends by the house.

"This is Sam," they would say. I would consider saying, "Sam who? Does Sam have any other names?" Usually, I would just say, "Hi, Sam."

As the years passed, it got to be a joke. By then my daughter was attending a venerable university long frequented by our family and old friends. She would occasionally report: "This guy Pete in my biology class says his mom was a friend of yours."

What Pete's last name might be it was pointless to ask.

"Oh, Dad," she would say, in that tone of weary patience with the idiocy of prematurely senile parents that college sophomores affect, "nobody uses last names any more."

For a time, I wondered if the decline of surnames would reach the point at which I might be introduced to a prospective son- or daughter-in-law whose last name I would not be permitted to know. Or, alternatively, I wondered if there might now exist people who really didn't know their own last names.

In short, I was not exactly surprised to be baldly addressed as "Edwin" by a Federal Express functionary. But I am not reconciled. Maybe it's too late to stop the idiotic computer-written letters (usually asking for money) that begin "Dear Edwin." But Federal may not be beyond redemption.

What is going on here, anyway? I grew up in a time and place when people attached almost as much importance to family connections as did those Biblical folk quaintly listed in what we used to call the "begats." ("And Abraham begat Isaac, and Isaac begat Jacob," etc.)

In neither case, ancient or modern, did this have much to do with snobbery, though it did from time to time. In most instances, a family name was simply a convenience.

It was an index, a kind of shorthand key, to identity and to stores of tribal information which need not be relearned with every change of generation. Certain traits of personality and character were assumed to survive the change of generations. It was no slight amusement in a more leisurely and settled society, which cherished homely but often complex entertainments, to observe who had bred true. "The Smiths always marry early . . . Alice always purloins books, just like her grandmother." That sort of thing. Blood, as they used to say, will tell.

I understand, and largely approve of, the social and political changes that have made this a more democratic age and have rendered younger generations suspicious of the identities which might be thought indelible, and could sometimes be invidious. But the nameless new informality, in which everyone makes up a new identity as he goes along, invites needless confusion.

No doubt undue attention was once paid to ancestry. But the boundless new faith in nurture is an over-correction. And phony affability and familiarity ("Thank you for calling the Water Department. The line is busy and will be for the next five hours, but stay on the line and your call will be answered in order. Have a nice day.") are poor substitutes for the simple dignity of being called Mr. This or Mrs. That.

I do not take the doctrine quite as far as a recently deceased friend who left most of his cash estate to a single nephew, explaining with apologies to the ladies that he was very proud of his name (it was indeed a distinguished one) and wanted to help keep the noses of his family "above water" in coming generations.

Even if we do not go quite that far, last names tell us something valuable. They speak for generations of honorable, sometimes interesting folk, maybe even an occasional rascal, but for whose generous passions we would not be here. The least we can do in their memory is to ask strangers to mind their manners and call us Mr. or Mrs. or Miss until told to do otherwise.

Hello, Federal. Are you listening?

Washington Post Writers Group.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

Lanes in Southern California

By Fleur Ng'weno

JET fighters roar low overhead, over and over, practicing their landings. The land is desolate, dark green and grey, chaparral and cracked clay, windswept and drought stricken. Ellen Bauder of San Diego State University points out subtle distinctions: The flat landscape is in fact a mosaic of low mounds and shallow pools — mima mounds and vernal pools, California specialties.

In a state more than one-third of whose native plants occur nowhere else on earth, vernal pools are a highly specialized habitat with a unique plant community. Found where clay, lava or other factors form a shallow hardpan layer, they fill with the winter rains of California's Mediterranean climate. As the pools dry out in the spring, a series of windflowers grow up through the mud and bloom. Each plant grows best at a certain level of the pool edge, and the flowers often form rings of color around the receding water.

There is no water left. On hands and knees, we peer at a tiny purple flower on the cracking bottom of the pool, a plant recognized by the U.S. government as an endangered species. "And 120 pools were destroyed by a new freeway," Ellen Bauder says.

Later, driving on the overpass, I see the sign "Citizens for 52" on the offending freeway. For me, it exemplifies the clash between people and nature in Southern California. The citizens wanted their freeway, their freedom, their convenience. No matter that in the desolate pools there might be the germ plasm for a cure, a food, a special hardiness. The time is now and the people have come here to look for the good life.

Southern California breaks some rules of what is wild and what is not. All over the Northern Hemisphere, ravens are birds of wild places, high mountains and stormy coasts; but here ravens fly across city streets. Harbor seals and dolphins mingle with surfers off the beaches. In April, the hills above Los Angeles are already brown, apparently parched by the fires of summer. But the fires that still glow in the hollows, lick the brown flanks of the slopes and spill out onto flat valleys are California poppies.

Highways run rampant over this land. At night they are lava flows, glowing red-hot in one direction, white-hot in another. Life in the fast lane in every lane.

In the high desert, miles of flat, sagebrush-covered land are cut by neat signs: "H Avenue," "195 street." Water will make this desert bloom with a new crop: houses. Houses for yuppies who yearn to be forever young, cool and sunny all year long, within easy driving distance of skiing in the mountains and jobs in the city, and never mind that each trip adds to the greenhouse effect.

"It will be another sunny day in paradise," says the voice on the radio. These people who have found the good life do not care whether the little purple flower that makes its last stand in the vernal pools lives or dies. Do they care that they are adding carbon dioxide and chlorofluorocarbons to *our* air?

"The fires that ravaged the Amazon last year contributed 7 percent to the carbon dioxide that is threatening the planet with the greenhouse effect," reports the newspaper. Who contributed the other 93 percent? Is making steel more worthwhile than burning wood? And is anyone willing to give up part of the good life?

The writer contributed this comment to the International Herald Tribune from Nairobi, after a visit to California.

LETTERS TO THE EDITOR

We're All Superior

As a military historian, I read with considerable alarm the report "A U.S. General's View: Japan Must Not Rearm" *(March 28)*. Major General Henry Stackpole's statements are alarmist and incendiary. If he took it upon himself to insult Japan and the Philippines, he should be taken severely to task by his superiors. If he spoke with the authority of the Bush administration, then Congress owes it to the American public to determine what prompted this outburst.

General Stackpole accuses the Japanese of considering themselves superior. I am afraid that most nationalities believe themselves superior. Has the general forgotten the "gook philosophy" that ruled America's unhappy war in Vietnam? Has he never observed some of our fellow Americans, servicemen and civilians, who travel or work abroad?

ROBERT B. ASPREY.
Cadiz, Spain.

Belgium's Pro-Life King

In response to the report "Belgium's 24-Hour Royal Hiatus" (April 5):

How fortunate the Belgians are to have a king who is willing to stand up and be counted on abortion, who would rather risk his throne than put his signature to a law authorizing the wholesale massacre of future generations of his people. Would that other monarchs and presidents in the Western world — which used to be called the Christian world — had the same courage and respect for human life.

NOREEN RIOLS.
Marly-le-Roi, France.

Cashiered Columnist

Regarding "Argentina: For a Tough Presidency, With Ex-Officers' Help" (Opinion, March 28) by Ernesto Barreiro:

Great! A cashiered officer who led an abortive revolt against his government and who, according to human rights groups, participated in abductions, torture and murder during the campaigns against alleged leftist subversion is now given space in your newspaper. If you wish to keep filling your editorial pages with the opinions of criminals, I could provide you — free of charge — some articles written by a notorious rapist from Spain, two sadistic necrophiles from Mexico and a Croatian who used to collect the eyes of his victims.

RICARDO HERREN.
Madrid.

Trial by Fire and Stealth

Your recent report "Stealth Pilot Erred in Panama Attack, U.S. Now Admits" *(April 5)* reminds me of Germany and Italy trying out their warplanes during the Spanish Civil War.

KURT REDISCH.
Sao Paulo, Brazil.

Zealously Guarded Borders

As a frequent international flyer, I can vouch for the thoroughness of U.S. Customs Service agents in Houston *("Late for Your Flight? Paid in Cash? Look Out for the Police?" March 21)*. But the insinuations of critics that racial discrimination is a factor in drug searches is facile. At any rate, when it comes to overzealousness, the Houston customs officials can't hold a candle to those in Somalia, Tanzania, Ethiopia, Libya and Nigeria.

PATRICK WILSON.
New Delhi.

BEAT THE DEADLINE!

THIS IS THE LAST MONTH TO SUBSCRIBE TO THE IHT BEFORE THE RATES GO UP.

Now is the time to subscribe to the International Herald Tribune. Our rates officially increased on April 1st but new subscribers can still take advantage of special rates and save up to 50%. Don't delay!

Call or return the coupon before April 30th to begin your subscription at tremendous savings.

Country/Currency		TELEPHONE NUMBER	12 months (+52 free issues)	ONE YEAR SAVINGS	6 months (+26 free issues)
Austria*	A. Sch.	0222/6766.39455	4,400	3992	2,500
Belgium*	B.Fr.	03/271.03.04	11,000	7,200	6,000
Denmark*	D.Kr.	38.17.11.44	2,700	1,668	1,500
Finland*	F.M.	90/69.26.558	1,760	1,516	970
France	F.F.	0501.8088	1,500	1,412	830
Germany*	D.M.	0130/2525	580	436	320
Great Britain	£	0800/700600	140	115	77
Greece**	Dr.	01/51.29.005	41,000	26,880	23,000
Ireland	Pnt.	— —	155	136	85
Italy	Lire	— —	420,000	308,000	231,000
Luxembourg	LFr.	32.3/271.03.04	11,000	7,200	6,000
Netherlands*	Fl.	06-022.0242	600	452	340
Norway*	N.Kr.	042/11.388	2,000	1,648	1,100
Portugal*	Esc.	0034/1.555.1085	29,000	22,880	16,000
Spain*	Pes.	01/555.1085	32,000	28,080	17,600
Sweden*	S.Kr.	08/71.63.771	2,000	1,640	1,100
Switzerland*	S.Fr.	0.46.05.44.11	455	401	255
Rest of Europe, N. Africa, Former French Afr., Middle East	$	— —	470	Varies by country	260
Rest of Africa, Gulf States, Asia	$	— —	620		340
Central/Latin America	$	— —	540		295

* Please ask your operator about hand delivery.
** Prices are for hand delivery in Athens.
Please note: Those readers of the IHT who have had subscription delivery within the past 90 days are not eligible for this offer.

YES, I want to start receiving the IHT.
This is the subscription term I prefer (check appropriate boxes):

☐ 12 Months (364 issues in all with 52 bonus issues).
☐ 6 Months (182 issues in all with 26 bonus issues).
☐ My check is enclosed (payable to the IHT).
☐ Please charge my credit card account
☐ American Express ☐ Diners Club ☐ VISA ☐ MasterCard

CARD ACCT. NO. _____
EXPIRY DATE _____
SIGNATURE _____
NAME _____
ADDRESS _____
CITY/CODE _____
COUNTRY _____ 19-4-90
TEL. _____ FAX _____

Return your coupon to: Subscription Manager, IHT, 181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex, France.
This offer expires April 30, 1990, and is available to new subscribers only.

WIN $55,000,000

That's Fifty-Five Million U.S. Dollars!

THE FLORIDA LOTTERY
Pick Your Own Numbers—Play Lotto 6/49
Get Rich in America's Greatest Lottery

Millions of U.S. Dollars are won regularly playing the World Famous Florida Lottery. In fact, the Florida Lottery has **AWARDED MILLIONS OF DOLLARS** to people who have won – including its biggest Jackpot of U.S. $55,000,000. Imagine all the things you could do and enjoy with $55,000,000. People from all over the world go to Florida just to play the Lottery. Now, you too can play the World's Greatest Lottery and win a **MULTI-MILLION DOLLAR JACKPOT.**

Playing Lotto 6/49 is Easy

Lotto is the World's most popular form of lottery. The Official Florida version is called Lotto 6/49 and is **FULLY BACKED BY THE GOVERNMENT.** Each week one draw is held in public – under strict supervision in Florida. Lotto 6/49 is easy to play. You pick your own numbers by selecting any 6 of 49 possible numbers from 1 to 49. It's that simple. The numbers you select are entered in the Lotto 6/49 Computer System and if they match the same numbers in the draw – **YOU WIN THE JACKPOT.** Even if you didn't select all six numbers, you could still be a winner! If you have only 3, 4, or 5 numbers correct, you win one of the thousands of other prizes.

Here's How You Can Play

All you have to do to play the World Famous Florida Lottery is to complete the order form and send it to United States International Marketing's world wide processing center, along with your payment. You can play 2, 4, 6, 8, or 10 games for 15, 26, or 52 weeks **REMEMBER, EACH ADDITIONAL WEEKLY GAME YOU PLAY INCREASES YOUR CHANCE TO WIN THE JACKPOT.** Once your completed order form and payment is received, your numbers will automatically be entered in the computer system and you will receive an "Official Entry Confirmation" by return mail. Your "Official Entry Confirmation" will indicate the numbers you selected.

Fast Service

Your subscriptions are sent to our express address located right in Amsterdam's World Famous Schiphol Airport. From there, your subscriptions are immediately sent by our special air-courier to the United States. **THIS ENABLES US TO PROCESS YOUR SUBSCRIPTIONS FROM ANY LOCATION WORLDWIDE IN THE SHORTEST POSSIBLE TIME.**

You Will Be Notified Immediately When You Win

United States International Marketing will immediately notify you when you win any prize of $1,000 or more. In addition, you receive a complete list of winning numbers after every five weeks so that you can carefully check how you are doing. **YOUR PRIZE MONEY WILL BE CONFIDENTIALLY PAID DIRECTLY TO YOU ANYWHERE IN THE WORLD.** Upon expiration of your subscription you will receive a final itemized statement of your winnings.

United States International Marketing, Ltd.
P.O. Box 7525
1118 ZG Schiphol Centrum
The Netherlands

Direct Telex to U.S.A.
ITT Telex 4976556
Answerback: Jackpot

★ For faster service Fax your Credit Card orders Direct To The USA
USA FAX: 1-301-770-3545

CIRCLE SIX NUMBERS FROM 1-49 IN EACH GAME YOU WISH TO PLAY

GAME 1	GAME 2	GAME 3	GAME 4	GAME 5
1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17
18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25
26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33
34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41
42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49

GAME 6	GAME 7	GAME 8	GAME 9	GAME 10
1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17
18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25
26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33
34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41
42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49

Subscribe NOW! *For Faster Service*
Fax your credit card orders direct to the USA.
USA FAX: 1-301-770-3545

PICK YOUR PLAN – Check only one box below next to the option of your choice. ALL PRICES IN U.S. FUNDS

FREE BONUS ▶		INCLUDES 1 WEEK FREE	INCLUDES 2 WEEKS FREE
EACH WEEK	15 WEEKS	26 WEEKS	52 WEEKS
2 Games	☐ $135.	☐ $ 225.	☐ $ 450.
4 Games	☐ $270.	☐ $ 450.	☐ $ 900.
6 Games	☐ $405.	☐ $ 675.	☐ $1350.
8 Games	☐ $540.	☐ $ 900.	☐ $1800.
10 Games	☐ $675.	☐ $1125.	☐ $2250.

On all Credit Card payments a handling fee of $19 will be added.

CIRCLE ONE: DR. MR MRS MISS MS. 1-041990-

NAME _____
TELEPHONE _____ FAX _____
ADDRESS _____
CITY _____ COUNTRY _____
☐ CHEQUE ☐ DRAFT
☐ VISA ☐ ☐ ☐ ☐ EXPIRY DATE _____
signature _____

VALID ONLY WHERE LEGAL
United States International Marketing is a private company not affiliated with any Agency or Government. The prices quoted herein include handling and trustee services fees.

Make Cheque or Bank Draft (in U.S. Funds) payable to: United States International Marketing, Ltd.

Mail to: United States International Marketing
P.O. Box 7525
1118 ZG Schiphol Centrum
The Netherlands
Direct Telex to U.S.A.
ITT Telex 4976556
Answerback: Jackpot

U.S. Supreme Court Extends Controls on Child Pornography

By Ruth Marcus
Washington Post Service

WASHINGTON — The Supreme Court ruled Wednesday that states may prohibit citizens from possessing or viewing child pornography, even in the privacy of their own homes.

The 6-to-3 decision was the first time the court had allowed states to outlaw private possession of pornographic material.

In earlier cases, the court allowed states to ban the sale and distribution of child pornography. But it had refused to let states prevent citizens from viewing obscene material in their homes.

The court has now refused to extend those privacy protections to cover the possession of child pornography.

In an opinion by Justice Byron R. White, the court upheld the constitutionality of an Ohio law that makes it illegal to possess or view material that portrays a minor "in a state of nudity" that constitutes "lewd exhibition" or "a graphic focus on the genitals."

The law makes an exception for material possessed by the child's parents or that is used for a "bona fide" artistic, educational or scientific purpose.

Justice White said the law represented a legitimate effort by the state to "protect the victims of child pornography." In addition to Ohio, 18 states prohibit private possession of child pornography.

"Given the importance of the state's interest in protecting the victims of child pornography, we cannot fault Ohio for attempting to stamp out this vice at all levels in the distribution chain," he said.

Justice William J. Brennan Jr., in a dissenting opinion joined by Justices Thurgood Marshall and John Paul Stevens, said the Ohio law was an unconstitutional infringement on freedom of speech because it was "plainly overbroad."

Under the statute, Justice Brennan said, a family friend could be prosecuted for having photographs of the friend's children playing in the bathtub.

The case involved Clyde Osborne, who was convicted and sentenced to six months in prisons after the police searched his house and found photographs showing a nude 14-year-old boy in sexual poses.

"When speech is eloquent and the ideas expressed lofty, it is easy to find restrictions on them invalid," Justice Brennan said. "But were the First Amendment limited to such discourse, our freedom would be sterile indeed. Mr. Osborne's pictures may be distasteful, but the constitution guarantees both his right to possess them privately and his right to avoid punishment under an overbroad law."

Justice White said the law was a legitimate response to combat child pornography since the market in such material "has been driven underground" after the 1982 decision upholding laws prohibiting distribution of child pornography.

■ Other Court Decisions

The Supreme Court made these other decisions on Tuesday, The Associated Press reported:

● The court ruled that a federal judge exceeded his authority when he ordered a property tax increase to help pay for racially desegregating public schools in Kansas City, Missouri.

By a vote of 9 to 0, the court said U.S. District Judge Russell G. Clark abused his discretion when he imposed a school district tax increase. But the court upheld most of the steps that Judge Clark ordered school officials to take to bring about racial balance in the schools.

● The court ruled that an overnight guest in a private home enjoys the same privacy rights as the homeowner, as it struck down a Minnesota man's murder conviction. By a 7-to-2 vote, the court said the police unlawfully arrested the man when they detained him without a warrant in a home where he was staying.

Cabdriving in New York: Every Night Is a Shot in the Dark

By Tim Golden
New York Times Service

NEW YORK — Piloting his battered Oldsmobile through a dark corridor of tenements, Jose Gonzalez clutched the wheel in his left hand, a steak knife in his right.

With the practiced motion of a movie gunslinger, and with no less bravura, he whipped the knife behind him and plunged it toward the back seat, where his enemy might sit.

Then, struck with embarrassment at the display, he recoiled and sheathed the five-inch (13-centimeter) blade between the red velour front seats.

"It might not help much if he had a gun," Mr. Gonzalez said.

Minutes earlier, at 1:30 A.M., another livery driver was robbed at gunpoint on the same deserted stretch of 174th Street in the Bronx.

Was Mr. Gonzalez fazed? Not at all. The 41-year-old from the Dominican Republic — like the few other Bronx livery drivers who force themselves to work past midnight — was more worried about the passenger, or passengers, who has killed five drivers in the borough in the past six weeks.

Unlike the perhaps 15,000 unlicensed cabs, which cruise the streets for virtually all their passengers, the 20,000 radio-dispatched livery cars are technically not allowed to pick up fares from the street, although they make much of their money that way.

Fear, like boredom, has always been part of a livery cabdriver's job in the Bronx. Before the wave of killings, a bad fare among the nightly clientele of drug dealers, prostitutes and overwhelming majority of immigrant working people usually meant a robbery, maybe a pistol whipping.

Drivers now say it would be foolhardy to pick up almost any of the prospective customers who are still on the streets late at night.

"You've got to be scared," Rafael A. Camilo, 26, said as he drove past a man waving for him to stop. "You can't trust anybody."

Demanding stronger police action, scores of livery cars clogged the 225th Street Bridge between the Bronx and Manhattan in a protest earlier this week.

About 200 cars then drove in a caravan through upper Manhattan to the Rivera Funeral Home, where a wake was held for Rafael Montes de Oca, who was shot to death in his livery car on Saturday night.

Chief of Detectives Joseph R. Borrelli said that the police had uncovered few clues to the identity of the killer or killers. Ballistics tests show that the first three livery drivers were shot with the same .22-caliber handgun, he said.

Mr. Borrelli said, however, that an unlicensed cabdriver shot on April 11, Dennis Forbes, and Mr. Montes de Oca were killed by other guns.

Dispatchers for the livery drivers said they tried to screen their customers carefully. But in practice, the flow of calls is often so overwhelming that the dispatchers barely have time to note passengers' destinations, much less to check the callers' telephone numbers.

"We have never gone through that formality of asking names," said Rafael Perez, 26, a dispatcher at the Bailey Car Service in the University Heights section. "We just ask where."

The company, with 150 drivers, is typical of the dozens on which residents throughout the city depend. Nearly all its drivers are Hispanic.

Most of the drivers own stock in the year-old company. All pay $30 a week to hear the 24-hour dispatchers on their citizens' band radios.

The storefront headquarters offers five video games, an empty soda machine and a small bathroom decorated with such graffiti as "Said No to Drugs!" The bulletin board is stuck mostly with old news, save a police artist's sketch of the suspected killer.

None of the Bailey drivers have been among the victims. But before they formed their company in March last year, most had worked for Seaman Radio Dispatcher, where Mr. Montes de Oca was employed.

On Sunday, Bailey received two threatening telephone calls. "The next one is going to be from your base," one said.

On Monday, the company was shocked by word that one of its drivers had been shot — but the report was soon found to be false.

"It's a dangerous game," Driver No. 63 told a few colleagues.

"Smells like blood," a dispatcher told others.

"Slowly," a third man said, in explaining how he would dispense with the killer if given a chance.

Perestroika Receives a Cool Review From Baker

By Don Oberdorfer
Washington Post Service

WASHINGTON — Secretary of State James A. Baker 3d said Wednesday that Mikhail S. Gorbachev's "grab bag of economic reforms" in his five years in power had done little to improve the performance of the Soviet economy. He said that it would be "exceedingly difficult" for a collective leadership in Moscow to develop a comprehensive program to bring urgently needed improvement.

Mr. Baker, in a written statement to the House Ways and Means Committee, provided an extensive analysis, mostly pessimistic, of Mr. Gorbachev's efforts to revive the sagging Soviet economy.

Many U.S. experts have said that in the long run Mr. Gorbachev's success, and possibly his position, will hinge on his ability to improve the economy.

"The failure to produce economic results has not deterred Gorbachev," said Mr. Baker, in what appeared to be a tribute to the Soviet leader's other skills. "As he has shown repeatedly, he uses obstacles to further consolidate his authority. Then he takes steps to press political and economic reforms further."

Using a poker analogy, Mr. Baker said of Mr. Gorbachev: "He does not fold; he does not call. He raises the stakes."

■ Warning on Lithuania

Mr. Baker also said Soviet actions in Lithuania could jeopardize promising commercial contacts with the United States, Reuters reported from Washington.

"Some of our bilateral commercial contacts with the U.S.S.R. may be more directly in their interest than in ours," Mr. Baker said in his congressional testimony. "And those contacts are being put to risk by Soviet actions in Lithuania."

In comments that seemed designed to flesh out President George Bush's hints at possible U.S. retaliation on the Lithuania issue, Mr. Baker suggested that continued U.S. support for President Mikhail S. Gorbachev's *perestroika*, or restructuring, could wane if there were a major Soviet crackdown on the Baltic republic, which declared independence March 11.

"Our willingness and ability to take steps that benefit perestroika in the near term is, to be sure, affected by Soviet behavior," Mr. Baker said.

"Perestroika, glasnost and democratization cannot be divisible," he said. "They are indivisible. The reform process won't go forward and succeed if it is applied in some republics and denied in others."

Moscow has put heavy pressure on Lithuania to reverse its drive for independence from the Soviet Union. Most recently, Mr. Gorbachev has threatened to cut off supplies of vital items such as oil and gas unless the Lithuanian legislature rescinds laws that bolster the independence effort.

Mr. Bush has been trying to show moral support for Lithuania without disrupting U.S.-Soviet contacts and a summit meeting planned with Mr. Gorbachev for late May.

Moscow Objects to de Maiziere's Unification Plan

Anne Dudert/The Associated Press

A CHANGE OF THE GUARD — The former East German defense minister, Theodor Hoffmann, left, accompanying his successor, Rainer Eppelmann, a Protestant clergyman, at the inauguration ceremony on Wednesday in Strausberg, near Berlin.

Compiled by Our Staff From Dispatches

BERLIN — The Soviet Union has spelled out concerns about German reunification in an unofficial note to the East German prime minister, Lothar de Maiziere, a government spokesman said Wednesday.

The spokesman, Matthias Gehler, said Vyacheslav Kochemasov, the Soviet ambassador to East Berlin, conveyed the note to Mr. de Maiziere on Tuesday.

Mr. Gehler said East Germany's new governing coalition had "taken notice of this paper," but stressed the message was not official and was being treated by the government solely as a basis for discussion. He declined to discuss the contents of the note.

The West German newspaper Bild said the note put pressure on Mr. de Maiziere's government by expressing opposition to its quest for rapid German unity on the basis of the current West German Constitution.

Another form of reunification would require dissolution of the basic laws of both Germanys and require that a new constitution be negotiated for a reunified country. That process would take longer.

The paper also said the Soviet Union would not accept a united German membership in the North Atlantic Treaty Organization, as favored by East Berlin and demanded by the West.

The Germanys, meanwhile, said they hoped to scrap border controls by the summer, enabling their citizens to cross without passports.

Interior Minister Wolfgang Schäuble of West Germany said, "We have agreed to get rid of personal border checks as soon as we can, and this means we must strengthen our two states' external borders and airports."

He said border checks should be abolished before the summer holidays. Controls were temporarily relaxed during the Easter weekend.

A common visa policy would be worked out to tighten security once border controls ended, he said.

Earlier, Mr. Schäuble and Interior Minister Peter-Michael Diestel of East Germany held the first talks between Bonn and the new freely elected East German government.

Joint working groups will discuss how to prevent the drug trade, crime and terrorism from benefiting from frontier relaxation. East Germans have complained of an increase in crime and drug trafficking since the border was opened.

Officials will open formal talks on monetary unity after Mr. de Maiziere makes his first policy speech on Thursday, a spokesman for the Bonn government, Dieter Vogel, said.

A key issue in monetary union talks will be the exchange rate for East German marks. East German political parties have closed ranks to demand a rate of one East German mark for one West German mark after learning that the West German central bank wanted the rate to be two East German marks for one West German mark.

According to government sources, the Bundesbank director, Hans Tietmeyer, was in East Berlin over the Easter weekend to brief East German officials on Bonn's proposals. Mr. Tietmeyer is Chancellor Helmut Kohl's special adviser on monetary union.

Elsewhere, Rainer Eppelmann took command of the East German armed forces, saying disarmament and guarding a new democracy would be his main tasks.

Mr. Eppelmann, who was jailed under the country's Stalinist dictatorship for refusing to do military service, eschewed the usual ceremony in assuming the post.

"I took this job on the condition it was called disarmament and defense," he said. "Please note the order of the words." *(AP, Reuters)*

■ Kohl Confirms Vote Plan

Mr. Vogel said that Mr. Kohl would stick to his plans for general elections in December despite calls from some Bonn politicians to scrap them for all-German polls next year, Reuters reported.

"The chancellor today once again emphasized his determination that the December deadline for general elections is staying and we will stick to it," he said.

He added, "Preparations for German unity will be made so that all-German elections can presumably be held at the end of 1991."

Otto Lambsdorff, leader of the Free Democratic Party, stirred up controversy over the weekend by urging the parliament in Bonn to extend its mandate by a few months until all-German elections early next year.

He argued it would be wasteful to hold two long campaigns and elections so close to each other.

Jerusalem Settlers Resist Court-Ordered Deadline

JERUSALEM — A group of Jewish settlers who moved into the Old City's Christian quarter ignored a court-ordered deadline for them to leave Wednesday, contending the law gives them 21 days to appeal.

David Ben-Ami, a spokesman for the settlers, said that since the case was a civil and not a criminal one, the Jews would not have to leave the building despite the order by a District Court judge.

"It's a civil eviction," he said. "You have 21 days to do anything."

However, a lawyer for the Greek Orthodox Church, which owns the 100-year-old complex, said the order required the settlers to vacate immediately.

"They must leave according to the verdict. It should be today," said David Bason, a member of the Tel Aviv law firm representing the church. Lawyers for the settlers said they would appeal the eviction order.

The Jews moved into the 72-room complex a week ago and set off angry protests and legal actions before at least seven judges.

The move outside the Jewish quarter and into the Christian area of the old city upset the tradition which has different religions living in separate quarters.

BURIED: *Trove of 'Dirty Money'*

(Continued from Page 1)

looking for it with shovels and tools, but I haven't seen a penny."

Mr. Alvarez said the current theory about the origins of the money and how it was found is that members of the drug ring buried the drums in a carefully constructed cache, with false bottoms and wooden floors to deflect rainwater.

He said the gang extracted the money over several months, but added that word got out to a group of at least 10 villagers in La Trocha, a tough, working-class neighborhood of dented cars and knots of teenagers and old men.

The villagers went to the site one night about three weeks ago and found a drum still stuffed with more than $1 million in bills of $20 and $100, Mr. Alvarez said.

Pleased with their luck, the villagers apparently took the money and ran.

They began to buy Toyotas and Volvos, to pay off years of debts and to make cash deposits at local banks.

But Mr. Alvarez said whoever buried the money probably took out more than $15 million from at least nine other drums found empty at the site by FBI agents.

"The question we're asking is, 'What is the source of the money and where is the cash?' " Mr. López Romo said. "The money we have recovered is minimal."

Two residents acknowledged that FBI agents had combed the streets, but they said they knew nothing about any money, buried or otherwise.

A man with a new Cadillac in front of a rundown house smiled politely and said: "I don't know anything. I'm just visiting."

There were more questions, met with more smiles.

Peruvian Guerrillas Kill Ex-Social Security Chief

The Associated Press

LIMA — Leftist guerrillas have shot and killed the former director of the Peruvian Social Security Institute, Felipe Santiago Salaverry, and dumped his body on a beach south of Lima, the police said.

Leaflets found near the body indicated he was killed by Shining Path, a Maoist-inspired group.

BALTIC: *Oil Supplies Are Halted*

(Continued from Page 1)

minister, Kazimiera Prunskiene, sent a telegram to the Soviet leadership late Monday, saying that Lithuania would not stand in the way of Lithuanian men willing to serve in the army and would not shun Soviet citizens choosing to keep stay in the republic while maintaining their Soviet citizenship.

Lithuanian legislators began calling Tuesday for an offer of serious concessions to Moscow, hoping to encourage the Kremlin to agree to negotiations.

With no fuel resources of its own, Lithuania is completely dependent on the crude oil, natural gas and petroleum shipped in from the Soviet Union, and panicked citizens have been lining up daily at gas stations around the republic to fill up their cars and trucks.

The calls for compromise and concession were clearly supported, as the deputies voiced total support for Wednesday's resolution.

In addition to the proposal to temporarily suspend future legislative acts, the resolution urges Moscow "to refrain from using force, including economic pressure, against Lithuania and its citizens."

It further calls on Lithuanian citizens and economic organizations "to prepare for a period of austerity and spiritual endurance."

The parliament also unanimously adopted a letter to Mr. Gorbachev and Mr. Ryzhkov, outlining its latest position and supporting the points raised by Mrs. Prunskiene in her telegram.

The parliamentary letter says that a Lithuanian delegation will soon go to Moscow and will be ready to meet with Kremlin representatives to begin the proposed "preliminary consultations." The delegation is to be led by Bronius Kuzmickas, deputy chairman of the Lithuanian parliament.

In the one critical note raised in the letter, the parliament said it "regrets the position and methods chosen by the U.S.S.R." during the current crisis.

Mr. Gorbachev issued the ultimatum after a month of steadily escalating threats and warnings to rescind its declaration and subsequent legislation.

While the parliament was seeking a political solution to the stalemate with Moscow, Mrs. Prunskiene and the Lithuanian foreign minister, Algirdas Saudargas, went to Norway, seeking practical help for the fledgling republic through foreign investors and economic aid.

IRAQ: *Pipes Meant for Iraqi Gun*

(Continued from Page 1)

High Altitude Research Project to blast projectiles into space using modified naval guns.

Mr. Bull fired a 185-pound (about 84-kilogram) projectile to a record altitude of 112 miles (180 kilometers), and military experts said the Iraqis may be trying to develop this technology to bring both Tel Aviv and Tehran within range.

Iraq maintains the pipes were intended for a petrochemical plant. President Saddam Hussein, who earlier threatened to burn half of Israel with chemical weapons if the Israelis attacked Iraq, warned Wednesday that "He who launches an aggression against Iraq or the Arab nation will now find someone to repel him."

Charles Murphy, a U.S. army ballistics expert who worked with Mr. Bull in the 1960s, said in Maryland that a huge cannon could not be hidden.

Military experts pointed to the enormous technical difficulties that would have to be overcome in building a cannon. Another British company, Walter Somers Ltd., said that it feared it might have been misled into producing a recoil mechanism for the gun. A spokesman said the company received an order from Iraq earlier this month for a possible aiming mechanism and informed the government.

Adding another piece to the puzzle, Sheffield Forgemasters confirmed it had dealt with Mr. Bull's company, the Brussels-based Space Research Corp., in carrying out the pipes order.

British customs last month seized 40 switching devices that were being sent from the United States to Iraq, saying they could be used as nuclear triggers. But some experts theorize they may have been intended for a gun.

Hijacker Links Act to Struggle By Lithuania

Reuters

MOSCOW — A Soviet mental patient hijacked a plane Wednesday and forced it to fly to Lithuania, saying he wanted to help the breakaway republic in its independence struggle with Moscow, Vilnius radio said.

A spokeswoman for the radio said the man, who carried a package he said contained explosives, surrendered quietly when the plane landed Vilnius, the Lithuanian capital. No weapons were found.

The man, identified as Igor Kalugin, told fellow passengers he wanted to help the republic, which has been locked in a battle with the Kremlin over its March 11 declaration of independence, the radio said.

The Lithuanian interior affairs minister, Marjionas Misiukonis, told the radio that the man boarded the Leningrad-bound plane at Sheremetyevo airport in Moscow and threatened to blow it up if it was not diverted.

HOSTAGE: *Release Possible*

(Continued from page 1)

the president's decision to end the hostage issue as "a fiction" of the Western press.

■ Mother Hopeful

Mr. Turner's mother, Estelle Ronnenburg, said that she had been contacted by U.S. government officials, news agencies reported. "I do feel full of hope," she said in Boise, Idaho. "But I talked to the State Department and they told me that they are checking things out and not to let myself get too worked up because we have had rumors like this before that have not worked out, so we want to be sure it's going to work out before we get too hopeful."

The Islamic Jihad was last heard from March 15, when it threatened to kill the three Americans unless the United States met vague demands.

There are 21 Westerners believed to be hostages in Lebanon, including eight Americans, four Belgians, three Britons, two West Germans, two Swiss, an Italian and an Irishman.

The Belgians, a family of four kidnapped more than two years ago, are still held by the Palestinian Fatah Revolutionary Council.

The same Palestinian kidnappers freed a Frenchwoman, her Belgian companion and their daughter last week in response to appeals by the Libyan leader, Colonel Moammar Gadhafi. *(AP, Reuters)*

RISK: *Lithuania Stand*

(Continued from Page 1)

to his huge, restless and cynical national constituency the risks of small-scale sovereignty that lie just beyond the joys of declaring independence from the Kremlin.

He has tailored the present set of economic pressures on Lithuania not in terms of the Kremlin's authority but in terms of the other republics' economic self-interest.

He has instructed that they should no longer sell to the rebellious republic at ruble cut rates those products — such as natural gas and oil — that would much more profitably be sold in foreign markets for badly needed hard currencies.

"Other constituent republics are asking quite aptly why they should continue supplying products to Lithuania at the expense of their own needs," Mr. Gorbachev stressed in announcing his latest threat for a slow stemming of fuel and industrial raw materials.

In competing hard in the republican arena, the Soviet leader has carefully measured his public comments in the global arena. There, President George Bush has been ratcheting up his rhetoric precisely in time with each heightened step in the Kremlin's war of nerves with Lithuania.

Mr. Gorbachev is obviously keeping in mind the summit meeting in Washington on May 30. But a flash of his private thinking may have been provided last week when his new press secretary, Arkadi A. Maslennikov, grew weary of questions about White House criticism.

Mr. Maslennikov said there was no need for "lectures about morals in political behavior" from a nation "which applauds their president whenever he sends troops to Grenada to change the regime there" or to Panama "because they don't like Noriega, whatever his sins may be."

Such asperity is not part of Mr. Gorbachev's style in either arena. The most he has said to outside critics is that he is obliged to defend the nation's constitution and that the Lithuanian rebellion "is strictly our internal question."

Throughout the crisis, Lithuanian officials have clung to the moral high ground, noting that the Soviets forcibly annexed the Baltic states 50 years ago. But Mr. Gorbachev has defended his union like a wronged spouse, arguing: "In the event of divorce, it is not important whether the marriage was contracted legally or not."

After five weeks of pressure, the Lithuanian government has begun easing its rebellious tone and fairly pleading for compromise.

Even if Mr. Gorbachev were to secure some sort of victory in this republic, however, he would still have to attend to fresh arenas of rebelliousness arising across the Soviet empire while he is distracted.

ACROSS

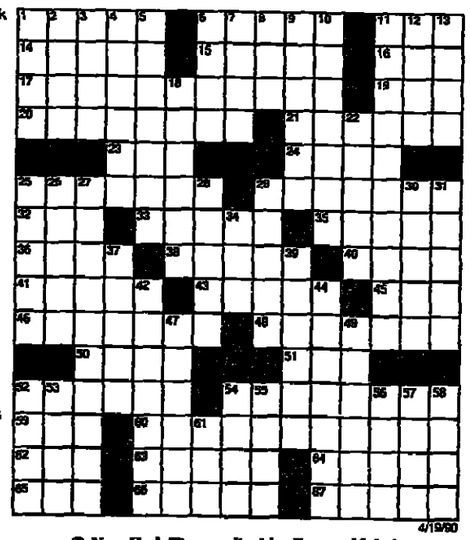
1 Speleologists' interests
6 Ski lifts
11 Tam
14 Over
15 Confute
16 Corolla petal
17 Low neckline on a dress
19 Lion's mouth
20 Star-shaped
21 Bean and Welles
23 Pet's medic
24 In —— (localized)
25 Electric-current units
29 Raises again
32 Grief
33 Touch or sight
35 Actress Burstyn
36 Stowe's "The Pearl of —— Island"
38 Brazilian seaport
40 Byway or seaway
41 Vanquished one
43 Peels
45 Turn to the right
46 Hidden sharpshooters
48 Powder packets
50 Renown
51 Never, in Nürnberg
52 Four quarts
54 Fatherly
59 Southern constellation
60 Hobo's way of life
62 Footprint of a game animal
63 Cremona violinmaker
64 Sea monsters
65 Août's season
66 Oblivion
67 Irregularly toothed

DOWN

1 Bounders
2 Assist a felon
3 Sotto or viva follower
4 Undergo gradual change
5 Star of "The Pink Panther"
6 Waste allowance
7 —— noire
8 Arab garment
9 Wrinkled
10 Unproductive
11 Dissimulation
12 Poet Seeger
13 Handles clumsily
18 Kind of sail
22 Moonshiner's contrivance
25 Army deserters
26 City ESE of Sevilla
27 Banter
28 Gingery cookies
29 Brings up
30 Creed
31 Dirks of yore
34 Dep.
37 Flower part
39 Shed with a single, sloped roof
42 Post-blizzard task
44 Biology or physics
47 Change a title
49 Sheep dog, for one
52 Stare
53 In —— (bogged down)
54 Route
55 Hershfield's "—— the Agent"
56 Treaty org.
57 Man's septet
58 —— -majesté
61 Hood's rod

Solution to Previous Puzzle

S	L	A	P		C	L	A	I	M		T	I	O	
L	I	R	A		L	O	R	N	E		O	R	C	H
A	F	E	L	L	O	W	I	K	N	O	W	W	H	O
T	E	A		A	W	E	D			Z	A	I	R	E
		F	I	N	D		A	D	O	R	N	E	D	
M	I	L	E	R	S		B	L	I	N	D			
O	M	I	T			C	L	O	N	E		V	E	E
M	A	K	E	S	A	L	O	N	G	S	T	O	R	Y
A	M	E		A	L	E	N	E			O	I	S	E
		S	N	E	A	D		C	H	I	D	E	S	
P	I	O	N	E	E	R		N	A	I	L			
A	S	T	A	S			C	O	P	E		E	L	F
S	H	O	R	T	I	S	A	N	E	D	I	T	O	R
T	A	E	L		T	A	T	E	R		R	O	V	E
	M	S	S		S	P	O	T	S		K	N	E	E



4/19/90

© *New York Times, edited by Eugene Maleska.*

HEALTH / SCIENCE

Has Man Been In New World 47,000 Years?

By James Brooke
New York Times Service

SAO RAIMUNDO NONATO, Brazil — Standing in the hollow of a 135-foot-high rock shelter, Fabio Parenti painted a mental picture of hunters at the same spot thousands of years ago, surveying the valley floor below for game.

Near a spring, the Italian archaeologist drew aside bushes covering sandstone paintings that depicted an ancient menu in northeastern Brazil: antelope, deer and armadillo. Where Mr. Parenti usually sparks controversy is with his next affirmation: that ancient man hunted animals, built cookfires, and bedded down in this rock shelter 47,000 years ago — at the time Neanderthal man inhabited Europe.

That claim has rocked the prevailing wisdom, which holds that the first Americans inhabited the Western Hemisphere 12,000 years ago. Although many archaeologists

The New York Times

are coming to believe that the date of the first human habitation may be earlier than that, Mr. Parenti's proposed date is so early that it has been greeted with skepticism by American archaeologists.

Many doubt, in particular, that Mr. Parenti, a doctoral student at an Italian university, and his colleague, Niède Guidon, an archaeologist at the Institute of Advanced Social Science Studies in Paris, have accurately dated the geologic layers as they dug into dirt at the foot of this cliff wall, producing a series of increasingly older sites they say show signs of being inhabited.

The center of this growing debate over the first Americans is a remote and rugged range of cliffs and canyons reminiscent of the American West. Lying 500 miles (800 kilometers) from the sea and a five-hour drive from the nearest airport, São Raimundo Nonato is lost in the dry northeastern backlands of Piauí state. A trove of ancient rock paintings and engravings lay forgotten until the early 1960s when Dr. Guidon first ventured into this wilderness on a donkey.

Robson Bonnichsen, the director of the Center for the Study of the First Americans at the University of Maine, said that the "work is at the top of our list for studying the peopling of the Americas." He is the only American archaeologist to have visited this isolated site.

"Most of the arguments have been made by people who have never visited the site," said Dr. Bonnichsen. In 1991, Dr. Bonnichsen plans to lead the first American excavation here.

Criticism was countered by Mr. Parenti recently during a trek to the soaring rock face, formally called Pedra Furada. Between two deep trenches, a block of undisturbed soil illustrated descending layers of sedimentation from the present era to 55,000 years ago. Judging from paint drops found on loose rocks, the archaeologists estimate that the wall paintings were made as long ago as 10,000 B.C.

"These are deer, here is a jaguar, these men are probably hunters," the archaeologist said, studying a series of stick figures scrawled like cartoons on stone. As far down as the 12,000-year level, Dr. Guidon found stones arranged in semi-circular hearths filled with charcoal and surrounded by flint artifacts. The nearest source of flint is almost a mile away, indicating that the inhabitants quarried the flint to make knives, scrapers and choppers.

American archaeology generally accepts the earliest dating of human habitation in the Americas to be provided by 11,500-year-old stone projectile points found in the 1920s near the town of Clovis, New Mexico. In Brazil, digging below the 12,000-year level, the team continued to find charcoal and burned rocks arranged in hearths. Using two dating methods, radiocarbon or thermoluminescence, researchers dated 21 samples from 14,300 years ago to 47,000 years ago.

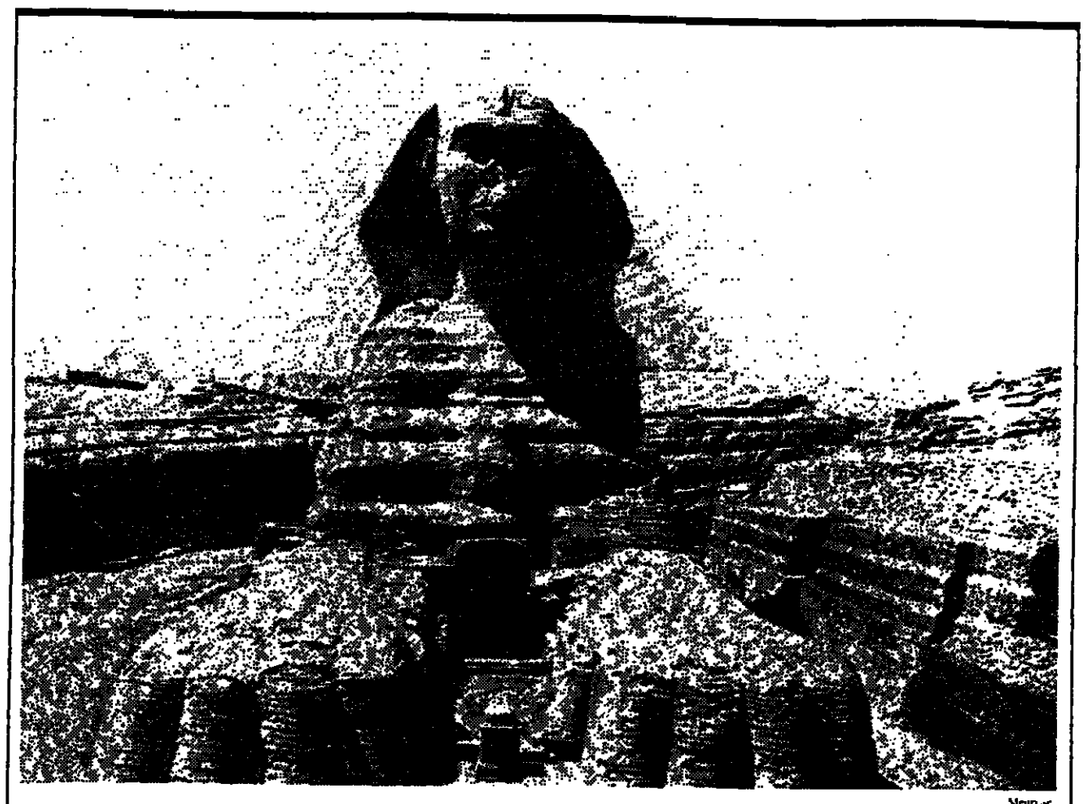
In an unbroken sequence, the deeper the samples were found, the older the dates became. But skeptics have speculated that the charcoal samples were produced by ancient forest fires.

"Forest fires, sure — but do forest fires place rocks in circles?" responded Mr. Parenti. Skeptics have also speculated that rain-water runoff from the cliff or flooding from the valley disturbed sediments, mixing ancient charcoal with modern charcoal.

Mr. Parenti replied that the cliff's concave face protects the excavated area from direct rainfall, that runoff flows through two water chutes flanking the site and that nearby sample trenches show no evidence of floods in the area in the last 50,000 years.

Critics say that the 1,000 quartzite rocks believed to be crude tools from before 10,000 B.C. are rocks that fell from the top of the cliff. In response, Mr. Parenti said that he studied quartzite rocks and had dropped hundreds off the cliff to study the natural fracturing processes.

"In nature, it is highly improbable that a rock will be repeatedly chipped on one end to form a blade," he said. "I am certain that 200 to 300 are real artifacts."


Mean se

For the Sphinx, UNESCO Plans Some Electronic Care

Egypt's Sphinx will soon be getting a little tender, loving electronic care. French restoration experts, appointed by UNESCO, have begun testing the structure of the 4,500-year-old Sphinx, whose body and face is largely hidden by scaffolding. The statue is being scanned with equipment emitting ultrasonic waves that will diagnose the stone condition. U.S. experts will fit a $350,000 machine behind the Sphinx's head next month, linking the device to a computer to give 24-hour readings on the levels of humidity, pollution, heat and wind direction.

IN BRIEF

Praise by Patients Aids Schizophrenics

NEW YORK (NYT) — Schizophrenia patients can be trained to help each other reach goals of therapy, a new study has found. In an experiment at Southern Louisiana Hospital in Mandeville, 13 patients were taught to praise each other for desired actions and to ignore each other when they exhibited troubled behavior.

Among the desired actions were maintaining basic hygiene, following directions, listening when others talk, talking about "real" things and making friends. After nine months, the patients in the program doubled the rate at which they performed the activities for which they were praised.

The research, by Louise Baenninger, a psychologist, and Weizhen Tang, a psychology graduate student, was reported in the April issue of Hospital and Community Psychiatry. Behavior therapy programs are widely used in treating chronic schizophrenics, but they typically use rewards like coffee, snacks and cigarettes as reinforcement.

Isuzu Announces A Stronger Battery

TOKYO (Reuters) — The Japanese carmaker Isuzu Motors has invented a battery it says can be recharged in 10 seconds and produces 20 times more power for its weight than conventional batteries.

Isuzu and Fuji Electrochemical, which jointly announced the development, expect to start commercial sales of the battery in two years. They have already produced a 1.2 volt, coin-sized version on a trial basis, the spokesman said.

The battery uses activated carbon and diluted sulfuric acid and should cause fewer environmental problems than mercury-based and other conventional types of battery, he said. The new battery may be produced in different shapes and may be used in home appliances as well as cars, the spokesman said.

Isuzu Motors, which is 38.2 per cent owned by General Motors of the United States, is developing an electric car using the new battery, he said, adding that conventional car batteries generally need eight or more hours to recharge.

Beetles Destroying Happy Relationship

WASHINGTON (WP) — In the tropical forests of Costa Rica, there are ants that live their lives inside young piper trees in a mutualistic arrangement. As the ant colony grows, worker ants hollow out chambers and make the plant their home. Through a mysterious code, the ants stimulate the piper plant to produce engorged cells that swell with fats and proteins, on which they feast. In exchange for food, the ants trim away encroaching vines and defend the tree against other insects.

Now the code has been cracked, not by scientists, but by beetles. Deborah Letourneau of the University of California at Santa Cruz reports in the journal Science that she discovered a new species of beetle that usurped the ants' place in the piper tree. The beetle was able to decipher the ants' code and use it to stimulate the tree to produce food for the beetle instead.

This is bad news for the tree. Like a house guest who never leaves, the beetle is a parasite eating and living inside the tree rent-free, so to speak, preying on the ants and performing no services for the trees. Parasitism is common, but Professor Letourneau believes this is the first time another animal has invaded a pair of mutualists without mimicking the behavior or appearance of one of the partners.

Searching Out Brown Dwarfs

Launch of Telescope and Camera Expected to Find 'Missing' Space

By John Noble Wilford
New York Times Service

AFTER years of searching and a few questionable sightings, astronomers believe they will soon find out if the heavens are heavily populated with brown dwarfs, dim stellar objects that could account for much of the "missing mass" of the universe.

The first indisputable evidence for the existence of brown dwarfs, hypothesized objects not massive enough to be a star but bigger than a planet, could come within months after the Hubble Space Telescope and its faint-object camera, developed by the European Space Agency, goes into operation. The space shuttle Discovery is now scheduled to be launched April 25 to place the $1.5 billion telescope in orbit.

But astronomers using ground-based telescopes have already identified more than half a dozen dim objects that are likely brown dwarf candidates. In the most recent such discovery, announced earlier this month, U.S. and Australian astronomers observed what they believe is the faintest stellar object yet detected. They estimated that its mass was probably low enough to qualify it as a brown dwarf.

In an announcement by the National Science Foundation, which financed the observations, the astronomers, Dr. Philip A. Ianna of the University of Virginia and Dr. Michael S. Bessell of the Stromlo and Siding Spring Observatories in Australia, said the object appeared to be 30 percent less luminous than any previously measured. They calculated that it was about one-twentieth the mass of the sun and emitted one-4,000th of the sun's light.

Scientists cautioned that the evidence was insufficient to support any claim that one of these long-sought objects had been discovered. But observations encourage scientists to believe that many low-mass stellar objects, as yet undi covered, could account for much the so-called missing mass of tl universe.

By studying the gravitation forces acting on visible stars ar galaxies, astrophysicists have est mated that more than 90 percent the mass in the universe is invisibl or "missing." Undiscovered exot matter and brown dwarfs a among the possible sources of th mass. Such theorized brown dwar are thought to lack the mass ar thus the gravitational forces r quired to trigger the fusion rea tions that produce the heat ar light of stars. Yet they emit mo heat than an ordinary planet.

The astronomers found the po sible brown dwarf among a grou of faint stars mapped by Dr. M chael R.S. Hawkins of the Roy Observatory in Edinburgh. D Ianna said: "Mike Hawkins est mated their distances from Eart and inferred that the stars were very low luminosity. We have me sured the distance from Earth what seemed like the dimmest these stars and found that the st is truly faint. This supports the h pothesis that this whole group stars is faint and contains oth brown dwarf candidates."

These stars are relatively nearb in the Milky Way, the galaxy th includes the solar system, at di tances of about 68 light-years. light-year is the distance light tra els in a year, about 6 trillion mile

The presence of such concentr tions of faint objects, scientis said, suggested that these migl represent some of the mass in t universe that has gone unobserve

"It's entirely possible that brow dwarfs are major components the missing mass," said Dr. John Bahcall, an astrophysicist at the I stitute for Advanced Study Princeton, New Jersey. "The exci ing thing is that, with Hubble, w will know the answer and in n many more months."

CAREER OPPORTUNITIES

Pilar

International Group is looking for its Monaco Office :

- A HIGHLY QUALIFIED SECRETARY
- AN ADMINISTRATIVE ASSISTANT FOR SERVICE DEVELOPMENT

English, Italian, French are imperative (German a definite advantage)

Both positions require : Self-motivation, Flexibility, Commercial Skills, Self-confidence, Decisiveness and the Energy to perform several projects at once.

Interesting career prospects will be offered to successful applicants.

Forward complete Curriculum-Vitae with photograph to : Ursula SCHINDLER,
Pilar Management S.A.M. - P.O. Box 117
MC 98002 MONACO

IRS INDEPENDENT RADIO SALES

RECHERCHE POUR LA FRANCE

SON DIRECTEUR DES VENTES

Independent Radio Sales est la règie publicitaire la plus importante et la plus performante en Grande-Bretagne. Nous ouvrons un bureau en France et ceci peut représenter une opportunité pan-européenne unique pour une personne très motivée et avec un curriculum commercial important.

Le domaine d'activité principal de cette règie publicitaire sera la radio FM dont le taux de croissance, tant au niveau de l'audience qu'au niveau des revenus publicitaires, ne cesse d'augmenter dans de fortes proportions. C'est notamment le cas de notre principal client, RFM.

Le candidat retenu sera basé à Paris et bénéficiera d'une rémunération de base importante. Ce poste peut offrir un fort potentiel de revenus pour une personne motivée. Vous avez pu lire cette annonce jusqu'ici ? Vous parlez donc français couramment. Cet idiome doit être maitrisé autant que l'anglais.

Pour un rendez-vous immediat, appelez le Directeur Général d'IRS, Pat FALCONER, à Londres (01)333 0005.

IRS est une société du groupe CROWN COMMUNICATIONS.

EXECUTIVES AVAILABLE

TOP EXECUTIVE

15 years experience. Presently general manager of the French branch of an American group. Highly experienced in international company management, especially marketing & commercial. Proficiency in the fields of distribution (franchising), import/export, real estate market. University degree. Seeks position in high performance, ambitious international company.

Please write to: Box D.332,
Herald Tribune, 92521 Neuilly Cedex, France.

DYNAMIC YOUNG AMERICAN

Male, solid economic and financial marketing experience in EEC/EFTA countries. Excellent research, sales, organizational and field skills. U.S. & Europe on government contacts. Proven track record. Very results-oriented, efficient, bright, clean-cut. U.S. University degree. Speaks French, basic German and Dutch. Willing to travel, very versatile and flexible. Seeks challenging position with potential.

Please reply c/o
SONDERSKOV who will transmit
8 rue des Residences
L-2434 Senningerberg, Luxembourg

PILOTS SHORTAGE?

Early retired captain from major US flag carrier. 53 y/o. First class medical, no waver. 20.000 + hours of incident free flying. Worldwide experience. French national, green card holder. A.T.P. - airplane single & multi engine land. Ratings DC8 B707 B720 B727 B737 B747. L-382 on French commercial pilot licence. Ready to work anywhere. Available on short notice.

Reply to: Box D.333,
I.H.T., 181 ave. Charles-de-Gaulle, 92521 Neuilly Cedex, France.

James Brooke/The New York Times

Fabio Parenti, left, and the São Raimundo Nonato cave paintings.

Having a Baby the European Way

By Mary Carpenter
International Herald Tribune

A WOMAN who had her first baby in London spent 10 days in the hospital; for her second, in Los Angeles, she spent two. While the average hospital stay following a normal (not Caesarean) delivery is decreasing everywhere, in many European countries it is still five to seven days — compared to little more than two in the United States.

American women are more than twice as likely to deliver by Caesarean section than those in Britain.

MEDICINE

Some British women complain that exceedingly long labor could have been relieved by Caesarean section. But in general, a normal delivery means less risk to both mother and child, and recovery is unquestionably quicker. (Caesareans totaled 24.4 percent of all deliveries in the United States in 1987; 10.5 percent for Britain in 1985, and 10 to 12 percent for the Scandinavian countries in 1986.)

One reason for looking closely at the experience in different countries is the startlingly high rate of U.S. infant mortality: 10 babies in every thousand born in 1987 died before the age of 12 months, compared with 9.1 in England, 7.6 in France and about 6 in the Scandinavian countries, according to the Organization for Economic Cooperation and Development.

The most important variable in infant mortality is low birth weight, linked primarily to cigarette smoking and lack of social support during pregnancy, according to Dr. Marsden Wagner of the World Health Organization. In most West European countries, social support includes not only financial benefits and health education but specific amenities such as free milk and vitamins.

Overall, in comparison to the United States, many elements of the birth experience in Western Europe seem to provide a more supportive environment for mothers. Pregnant women are assigned a midwife for pre- and postnatal care, as well as assisting at the birth. Often, a regular financial allotment is provided for each new child in a family.

Physicians in France and Switzerland, where hospital stays for normal delivery average 6.3 and 8.5 days respectively, defend the long recovery time as protection for the baby's health. More than 70 percent of all infant deaths occur in the first 28 days. The prolonged hospital stay allows women to begin breast-feeding with help from the medical staff.

On the other hand, the reason for decreasing the length of the hospital stay has been growing awareness of the unhealthy aspects of hospitals, such as the risk of epidemic infection in the nursery. In the 1970s, American women began demanding shorter hospital stays, and when they went home, they did fine, says Dr. Albert Haverkamp.

What happened next was that U.S. insurance companies, observing this, began setting limits on coverage. Now, many American patients are allowed only two nights for a normal birth, and four for a C-section, including labor.

Dr. Haverkamp believes, however, that there are certain advantages to giving medical attention over a longer period. "For the mothers, it gives you time to teach them and time to see them interact with their child. For the child, you can check bilirubin levels [for signs of jaundice, which can lead to permanent brain and liver damage if untreated], which cannot be done within the first 12 to 24 hours after birth." But he points out that these can all be done at home if there is a system to provide home care.

Despite first reactions on arrival in Europe, American women often appreciate the supportive atmosphere of a leisurely hospital stay. The woman who gave birth in both London and Los Angeles says that unquestionably the greater support she received throughout her experience was the main reason she went back to work much sooner in London than at home in California.

EXECUTIVE POSITIONS AVAILABLE

CELLULAR PHONES
Int'l Sales-Marketing Executive required to head division of consumer electronics company, experienced in the above field. Favorable location in Switzerland, to cover European markets. Reply Box 1544, I.H.T., 92521 Neuilly Cedex, France.

INTERNATIONAL OIL COMPANY seeks Acquisitions Representative (5-15 years experience) to negotiate and administer French and international contracts. Good career prospects. English/French fluent. Legal, business and other relevant background necessary. Send CV to Mr. Martin, 137, rue de l'Université,75334 Paris Cedex 07

EXECUTIVES AVAILABLE

BEVERLY HILLS ATTORNEY
House counsel for pro sports franchise, with 12 years litigation experience in business, real estate, sports and entertainment, seeks to permanently relocate in Paris or South of France in law or non-law position. Recently married to French citizen. Reply 1420 Peerless Place #220, Los Angeles, CA 90035 USA

MANAGING DIRECTOR, International, seasoned, multilingual. Early 40's, presently Managing Director of leading international company subsidiary in a Southern European country, wishes to explore possibility of challenging post within any E.E.C. country. Experienced in pharmaceutical, OTC and consumer fields. Respond fax (41-22) 789-1137 in Geneva.

DYNAMIC EXECUTIVES (Marketing, Finance, Environment) available for short term deployment. For information Fax: (212) 753-4804 USA.

EXECUTIVES AVAILABLE

SENIOR MARKETING EXECUTIVE Speaks English, French, Italian, Spanish. Seeks opportunity with European company in New York, New Jersey area, possible relocation to Europe. Product management/commercialization, P & L, Strategic planning, heavy technical, telecommunications/data processing. Tel: 201-654-0656 Fax: 201-233-5469 USA.

DYNAMIC FRENCHMAN, totally bilingual American, working knowledge German/Spanish, 17 years successful experience (with major companies) Export, sales & marketing manager Europe, Africa + long stays USA/Saudi Arabia, willing to relocate and/or travel, seeks challenging position with potential. Please Fax Paris France 1-48061929

IBM MAIN FRAME MARKET. European major accounts sales manager. MIS solutions 4th generation software & hardware connections. Excellent proven results in France & throughout the European distribution network. Looking to manage or start up computer product sales activity. Phone Mr. Bochi (331) 45 24 34 76 leave message

YOUNG EXPORT MANAGER 4 years experience focused on E.E.C. markets, ready to build up European Strategy for large or medium size American company. French born, fluent English/Spanish, based in Paris, touring U.S. next May. Please Reply Box. 1557, I.H.T., 92521 Neuilly Cedex, France. Or fax: (33-1) 42 25 90 56.

CHARTERED ACCOUNTANT With 13 years experience in a financial services regulatory environment, including 2 years in the Middle East, seeks a position, with travel involved, in the financial services sector. Preferred locations are the Middle East and Africa. Please reply to Box 3200, I.H.T., 63 Long Acre, London, WC2E 9JH

GENERAL POSITIONS AVAILABLE

BILINGUAL SALES CONSULTANT for Baker furniture showroom in the Marais. Cultured, experienced in sales, design or art history. Must be motivated, have good contact with people and public relations. Send CV and photo to: Box 1558, I.H.T., 92521 Neuilly Cedex, France.

PHYSICAL THERAPIST, FULL TIME, qualified to relocate to Manhattan. Experience required. Room & board included, salary negotiable. Resume & photo to: P.O. Box 760 Lenox Hill Station, NY, NY 10021 USA.

OVERSEAS POSITIONS Hundreds of top paying positions. All occupations. FREE DETAILS: Overseas Employment Services, Dept. HT, Box 460, Mt. Royal, Quebec, Canada H3P 3C7.

FRENCH CHEF WANTED for July & Aug. in St. Tropez. Includes lodging. 212-288-7139 Fax: 212-535-7518 US

GENERAL POSITIONS WANTED

ATTRACTIVE, CHARISMATIC American lady, 48, seeks position as personal assistant with senior executive. Soft professional background with personal cultured life. While I am sensitive and highly projective-a learning environment is essential used to estate living and management. U.S Tel. (505) 546-0307. Serious offers only.

DYNAMIC AMERICAN WOMAN Yale PhD now based in Tokyo seeks to use extensive Asia/Pacific experience in European context. Skilled administrator, negotiator, public speaker, researcher, writer. Consultation or long-term contract. English/French & other languages. Available May/June for meetings in Europe. Reply Box 1542, I.H.T., 92521 Neuilly Cedex, France.

GENERAL POSITIONS WANTED

AMERICAN WOMAN with 19 yrs. Data Processing experience seeking position in England or Continent for 6-12 mths. Analyst/programmer. COBOL/JCL/VSAM/CICS/ISPF/IBM-OS-MVS. Financial/Accounting experience. In London left of April 20 to interview. Contact Ms. Ann Alanhead (703) 204-0974 USA prior to April 26.

FORMER BUSINESSMAN excellent reputation. Knowledge of European Market & fluent in 6 languages. Would like to represent 1 or more American companies who are ready to export to the European market. Presently residing in Oregon but will relocate. Reply Box 5195, I.H.T., 850 Third Ave, 10th fl, NY, NY 10022

INTERNATIONAL SECURITY Advisor, former Special Forces, highly experienced in Corporate Intelligence, VIP and Head of State protection seeks permanent/temporary position USA, Europe, Far East. Highest references available. Tel: England 0902 331154. Serious enquiries only.

AMERICAN WOMAN 35, seriously seeks work in Italy. College educated, 10 years experience computer programming, supervision, private tutoring, office management, training. Anything reasonable considered. Tel Caryn, office hours, London 01 207 6929.

INTERPRETOR/ESCORT, 25 years accompanying Foreign Dignitaries to US, seeks challenging assignment occasional or permanent. French, Italian, Spanish & German. Well read/travelled. Highest references. Box 1513, I.H.T., 92521 Neuilly Cedex, France.

AMERICAN WOMAN, 30, seeks position in Milan in the arts or fashion field. B.A. in English literature and art history. US and Italian passport. New York fashion experience. Highly motivated. Reply Box 691, I.H.T., Via Cassolo 6, 20122 Milano, ITALY

GENERAL POSITIONS WANTED

FRENCH MAN, 28, American educated master in Political Sciences/Telecommunications, experience in PR & marketing, seeks challenging position, free to travel, anything reasonable considered. tel: (1) 45 25 99 98

YOUNG MAN 30, Scandinavian, seeks interesting position. Multilingual and well travelled. Experience in Fine Arts, Advertising & Tourism. Phone after 4pm. (47-2) 60 91 42 or write P.O. BOX 3157, N-0208 Oslo, Norway

U.S. FEMALE PROFESSOR (Ph.D Marketing) seeks education or corporate position in Europe. Proficient in Spanish. Box 6404, Boise, Idaho 83707 USA.

FEMALE (AUSTRIAN) in 30s living in California currently executive export/import looking for productive to represent. Write: 655 S. Fairoaks #8104, Sunnyvale, CA 94086 USA

ATTRACTIVE EUROPEAN LADY seeks interesting Personal Assistant position abroad. Tel N.Y. 212-935-9882.

CAMBRIDGE Student seeks work in France from June 90. Speaks several modern languages. Tel 0762 335025.

CAREER OPPORTUNITIES
appears every
THURSDAY
and
MONDAY

NYSE

Wednesday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect trades elsewhere. *Via The Associated Press*

Heating systems . . .

can now be up to 96% efficient. New gas furnaces, from several manufacturers, use Ametek motor blower systems to recapture heat from flue gas.

For current reports, write

AMETEK

Rochesterlaan 6
8240 Gistel—Belgium

96% EFFICIENT

(Continued on Page 21)

NYSE Highs-Lows

NEW HIGHS 17

Calmat, CooperTire, CrmetKn s, EnvirosSys, FabriCtr, GenElcl, GetschAk, HarleyDav, Hillenbrd, JaxnOTC n, Lukens, Medtrol Inc, PrsdGamb s, Rorer, Shonevs, US Surgical, WebRR pf

NEW LOWS 62

AM Intl pf, AlliNwEgr n, Amcastind, vIACastCp, Amrstinc, BancFlorida, CabotOG n, CenvtlInv, CmtyCred, CrossAbov, CrosskSv pf, Danr, DavisWtr, DiamdShCr, DavisJeans, EmersnHme, FstPhilBn s, SF Corp, Gemcraft, GetFr w cstl ptA, GraceCo, GraceEgy n, Horsham s n, HotelInv, Interfst, MACOM, Mastek, MONY REst, Marti Dmnh, NetCnv pf, Navistr wtS, NewGermny n, OberdInd, PrmrkP pr, PrimusHYM n, PutnamIGIT, ROC Tolwan n, RexDyss, SachsInSol, SahaysCosn, SentryInd, StMaryLd, StoneCast, TCF Fin, TolwanFd, USFG 4.16ef, UniPlant, USLIFE Cp, ValerNGs, WellsboBH n, VlWhlPtSt, WillcxGlb s, Wynnsint

AMEX Highs-Lows

NEW HIGHS 9

AmlsrInd, AmMedcl wi, AmTr-bmy prm, AmTr-mrk prm, HomeUtil pf, Hastings Mf, Perkins, SunjanNur, Tenera

NEW LOWS 29

AmTr-dow sc, BaldwinTch s, BookBids, CSS Ind, ComsatDyne, Dresser, EIECO, ElecSheln n, Flintkote, EMCORs pr, IncnOppor, MoldSci, MVR LP, NY Times, RBInstlec, RaceRad, SPI Hld pf, SPI Pharm, Semtech s, Shapiro, Thermo Inst, TransAtocB, UnicorpAmer, UsdIsMid, Wedco

EUROBONDS
BY CARL GEWIRTZ
IN THE IHT EVERY MONDAY,
PLUS AN EXCLUSIVE LISTING OF
2000 EUROBOND PRICES

1992 The World's Rendezvous With Europe

Sixteenth in a Series

Telecommunications / The Twin Directives

Opening Up the Markets, Overcoming Fragmentation

The European Community is struggling to unscramble its $120 billion-a-year telecommunications markets amid growing fears that the high cost of inefficiency and fragmentation could lead to serious European business losses in the world marketplace.

In a 1987 Green Paper, the European Commission said efficient telecommunications services were vital to the competiveness of European industry as a whole. Introducing competition, however, is proving a painful process.

The EC telecom market will soon represent 7% of GDP

Telecommunications services remain the jealously guarded preserve of powerful national monopolies throughout the EC, except in Britain and West Germany, where the first steps have already been taken toward free competition.

A spokesman for British Telecom (BT) is confident: "We are in a good position to take advantage of markets abroad because we are already in a competitive market, and we have faced competition for much longer than the rest of Europe," he says.

Now, new EC legislation is poised both to shatter the monopolies and to lay ground rules for competition before the 1992 single market deadline.

Two directives are expected to be adopted by EC telecommunications ministers when they meet in Luxembourg on June 28. The first deals with the liberalization of services, the second — known as the Open Network Provision (ONP) — concerns common harmonized rules on services.

The two proposals, whose legal bases are very different, have been inextricably linked by the commission.

The liberalization directive is based on the controversial and generally unpopular Article 90 of the EC Treaty. It allows the 17-member commission to unilaterally adopt new laws (without the approval of national governments) aimed at introducing competition in public or other monopolies.

In choosing Article 90, the commission stressed the need for urgent action in a sector which by the year 2000 is expected to account for 7 percent of the community's GDP (up from 3 percent today) and — directly or indirectly — employ 60 percent of the work force.

Britain, West Germany, Denmark and the Netherlands agree with the broad aim of liberalization — which will apply to all services except basic voice telephony, telex, mobile communications and network infrastructure — but resent the commission's heavyhandedness in using Article 90 to try to force the directive through.

The commission formally adopted the directive in December, but said it would delay introducing it until rules on ONP have been approved by a weighted majority of EC ministers.

If there is no progress by June on ONP, the commission has threatened to start the liberalization ball rolling anyway. Competition Commissioner Sir Leon Brittan stresses that the commission is "committed to a policy whereby liberalization and harmonization go hand in hand."

Serious haggling at an emergency meeting of ministers on December 7 paved the way toward a compromise, with the commission agreeing to modify its own directive if ministers agreed to adopt the ONP proposal as soon as it receives the European Parliament's recommendation, due in May.

The package would abolish national monopolies in all areas except voice telephony (which accounts for

Continued on Page 12

BRITISH TELECOM

British Telecom's Earth Station control room through which Skyphone calls will pass.

Interview / Filippo Maria Pandolfi, EC Commission Vice President

Next on Agenda: Tariffs, Satellites, Broadcasting

Filippo Maria Pandolfi, EC Commission vice president responsible for science, research and development, telecommunications and information industries, discussed the outlook in Europe for the telecommunications industry in an interview with Axel Krause, corporate editor of the International Herald Tribune. Following are excerpts from the interview:

The upheavals in Eastern Europe have opened everyone's eyes to the desperately underdeveloped state of its telecommunications. What role do you see for the EC in helping Eastern Europe modernize?

The recent historical events there have given the European Community a new top priority. The achievement of the single market of 1992 and economic and monetary union remain the first priority. But, in parallel, we have a new responsibility with a continental dimension. This has been made even stronger by the cultural and historical roots we have in common with the countries of Eastern Europe. Cooperation in research and technological development is first on the list of our priorities, meaning a role to coordinate and promote our research and development activities with and for East European countries.

Would you simply extend existing EC research and development programs eastward?

No. Community scientific and research cooperation is not just a matter of extending existing programs. Specific emergencies and needs must be identified. New forms and instruments must be created. New financing methods, other than share-costed actions, must be studied. But rather than simply transferring the most advanced technologies to their industries and services, we must identify those projects capable of facilitating and speeding up productivity, keeping in mind the context: obsolescence of their existing facilities.

What is your reaction to reports of easing Cocom restrictions for exports of sensitive technology to East European countries?

The commission has no specific competence in this area, but Cocom

Continued on Page 10

The answer to all your communication problems.

A L C A T E L

Whatever country you're in, we speak your language. Whatever business you're in, we have an understanding of it. And whatever communications system you utilise, we already deal in it.

In fact, you'll never find us wanting or lacking. Not today nor in the future. (Over $1-5 billion invested every year in research and development sees to that.)

Our field of expertise includes: Network Systems, Business Systems, Cables, Radiocommunications – Space and Defense, and Network Engineering and Installation. Operating in 110 countries throughout the world.

Global we may be, but our advice is always local and tailored to your individual needs; that's exactly what Alcatel's 120,000 worldwide experts are there for.

That leaves us with just one thing to add. Whatever your communication problem is, we most definitely have the solution.

ALCATEL

Alcatel n.v., World Trade Center,
Strawinskylaan 341, NL 1077 XX Amsterdam, The Netherlands.

1992 The World Business Publication

Interview / Filippo Maria Pandolfi, EC Commission VP

Tariffs, Satellite, TV

Continued from Page 9

rules are to be eased in order to allow the needed transfer of technology to East European countries.

Is it even vaguely possible that East European countries would enter the EC's RACE programs?

It is possible, but it is not the first step. At the present time it would be useless to involve them in very advanced technology research programs like RACE. Their needs are more elementary.

Two years ago, the United States was insisting on reciprocal advantages for American telecommunications companies operating in the EC market. Today, the EC is insisting on reciprocity in North America and Japan. What is the commission seeking?

Rather than what is referred to as mirror reciprocity, the EC is interested in a global balance of interests and, therefore, I prefer to talk about symmetry. Note that in the trade balances in telecommunications equipment for 1988 and 1989, the deficit with the United States has been reduced,

Telecom policy has focused on convergence with IT

whereas the situation still remains negative for the community with regard to Japan, with whom we have a large and growing trade deficit in telecommunications equipment.

Are you worried only about Japanese imports?

No. According to our most recent figures, Japan accounted for 33 percent of EC imports, but only 1.3 percent of our exports in this field. I cannot believe that this export figure represents any technical inferiority of European equipment, which sells successfully in third markets in competition with Japanese and other suppliers.

What did you accomplish during your recent visit to the United States?

When I visited Washington in March, I sensed an atmosphere of openness and greater interest in our relations. But further actions are needed, in particular with regard to scientific and technological cooperation between the EC and the United States. It must be strengthened.

Yes, but how?

I proposed that we start immediately by concentrating on five priority areas and through appropriate forms of joint research work. These should be the following: information technology, biotechnology, energy and environment, research and technological development with and for Eastern Europe and large-scale scientific projects. But this list should not be considered binding nor exhaustive. I also proposed establishment of a joint permanent task force to monitor the possibilities of synergy.

What was the U.S. reaction?

Both proposals have been accepted by U.S. authorities, and now a joint effort is needed to implement them in a short period of time.

Have you sensed any change in the U.S. attitude toward the EC in protecting its telecommunications industry?

Regrettably, the procedure putting the community on the priority list for negotiating the elimination of barriers to U.S. exports has not yet been concluded. I am glad to say, however, that a new spirit is now pervading this exercise. In a recent letter to me, Ambassador Carla Hills, the U.S. trade representative, explicitly recognizes that "the European Community has made solid progress in realizing a more open and competitive telecommunications market in Europe." This seems to me very important.

Where should the telecommunications trade negotiations be held?

In Europe, the telecommunications sector has long been excluded from competition rules and market-opening measures, and it is only now going to be addressed in the Uruguay round of GATT. The GATT negotiations are the logical counterpart to the community's own liberalization drive.

Where exactly does the EC's telecommunications deregulation program stand today?

As you know, the community is engaged in a comprehensive program of liberalization and harmonization in this sector which was first announced in the commission's Green Paper in 1987. There cannot be one without the other, thus we have gone forward with two different but parallel measures. The first is the Open Network Provision, the second is the directive to open full competition in the terminal equipment field. Both will come into effect at the same time. The commission adopted the competition directive last summer; we are now awaiting final approval of the ONP directive by the Council and the Parliament.

What will the ONP directive accomplish?

First, it sets the framework for what we call the harmonization of open access and user conditions of telecommunications' public networks and public services. The goal is to facilitate the supply of services by individual and legal entities through the use of public works, inside and between EC member states. Secondly, for data services, we plan progressive liberalization, starting January 1, 1993, but we have allowed the possibility of establishing a transition period through January 1, 1996 in EC member states with underdeveloped public data networks.

What about other services, notably those designated "value-added"?

Here the liberalization will be immediate and unconditional. These services are defined by exclusion: all services other than voice, telex and data. For example, electronic data interchange, electronic mail, electronic point-of-sale fund transfer, online data bases and videoconferencing.

What is the next step?

Some additional specific directives will be needed. For example, in coming months the commission will be announcing its policy regarding rules governing satellite telecommunications. As we move toward the 1992 deadline, we also will need to intervene in the area of tariff principles, applying to the reserved areas of telecommunications. Finally, we need to develop policy for the convergence of telecommunications with broadcasting. To date, our policy has focused mainly on the results of the convergence of telecommunications with computing.

What was your reaction to the ruling by the EC Advocate General on February 13 that the commission had overstepped its powers to deregulate under Article 90 of the Rome Treaty?

The conclusions of the Advocate General are not binding for the judges of the European Court of Justice, where the issue will be considered. The general opinion is that the judgment will be made before next summer.

Will the decision of the European Court affect all future deregulation activities of the commission, notably in air transport and energy?

In line with what I just said, the answer to this question also will need careful analysis of the legal implications of the decision by the European Court. The EC is a community of law. The commission respects the ruling of the court. The strategy for future deregulation will be decided by the commission, taking into account the court's decision.

The commission recently announced that it had succeeded in breaking an agreement between 26 telecommunications authorities that imposed a 30 percent surcharge on circuits they lease to private companies. Why did the commission describe this as "a landmark case"?

Some consumer associations, promoted by companies, helped bring this issue to our attention. The commission acted on the basis of Article 85 of the Treaty of Rome, which deals with restraint of competition. The group you mentioned, the Conference of Postal and Telecommunications Administrations, the CEPT, had fixed the terms for leasing international telecommunications circuits. We found that the CEPT recommendation amounted to a price agreement, which substantially restricted competition within the EC. Our action was significant because it allows liberalization of prices of international telecommunications leased circuits.

What is the extent of your contacts with private and government telecommunications companies and groups such as UNICE, the European employers association?

I believe that such contacts are essential in order to avoid the risks involved in the commission becoming a sclerosed and isolated bureaucracy. The aim of our actions is to meet the needs of industry and of people. We are not seeking to impose a interventionist line here in Brussels.

Briefs / Telecom Updates

• The European Telecommunications Standards Institution (ETSI) has drawn up a blueprint for the regional development of mobile communications in the 1990s. A major component of the plan is its backing of Personal Communications Networks (PCNs), which will provide low-cost, cellular-like services aimed at the domestic market. It had been thought that Britain, the chief advocate of PCN technology, would be isolated in Europe, but West German and Spanish backing has helped PCNs' adoption by ETSI.

The draft recommendations on PCN suggest that it be based on a higher frequency version of the pan-European digital cellular system, which is due to be progressively phased out after 1991. This may signal the end of efforts to have the Digital European Cordless Telephone (DECT) adopted as the basic technology for PCNs. However, the DECT cordless PABX technology, sponsored by European manufacturers such as Ericsson, Philips, Alcatel and Ascom of Switzerland, may still feature in some PCN implementations.

The PCN standard is required to be "stabilized" by December 1990. Specifications will probably leave open the option of having the networks operated either by the same organizations as the providers of pan-European digital cellular services or by other organizations. J.W.

• After nearly one hundred years, Denmark is to end its tradition of local telephone companies. By the beginning of 1987, the number of Danish telecommunications enterprises had been whittled down from nearly 60 to five. Now the plan is to amalgamate those remaining into a single nationwide entity.

As a first step, two partially privatized companies — Copenhagen Telephone Company Ltd. and Jutland Telephone Company Ltd. — will be brought under government control. Copenhagen and Jutland are at present publicly quoted local companies in which the state is a major shareholder.

Although the general European trend is toward decentralization and privatization in telecommunications, in Denmark commercial and technological considerations have strengthened arguments for a national organization. In particular, it is considered economically unwise to replicate such offerings as the Integrated Services Digital Network (ISDN) and intelligent network services in a country whose total population is only 5.25 million.

The new plan is to set up a holding company that will control all five enterprises. J.W.

• Responding to global service alliances between international carriers such as American Telephone and Telegraph Co., British Telecom and Kokusai Denshin Denwa, the U.K.'s Cable & Wireless has set up its own "one-stop shop." Its operation — code named The World Telephone Company — has U.S. Sprint Communications as its initial partner.

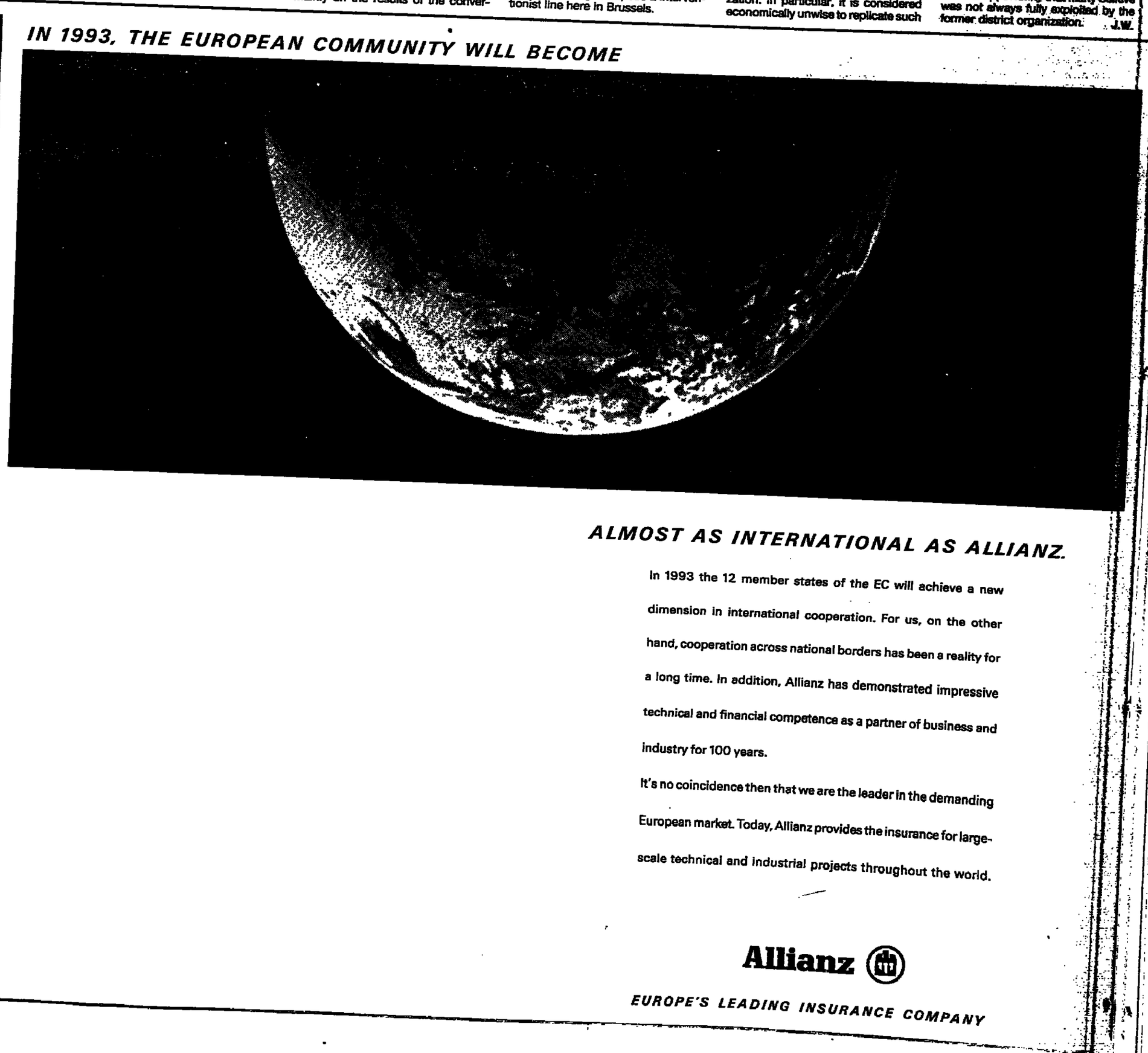
The new business will run on C&W's expanding global digital network. Part of this network is the trans-Atlantic fiber system PTAT, jointly owned since last year with Sprint. In 1989 C&W also agreed to use Sprint's domestic network to transit international traffic across the United States.

The main commercial advantage of the new company will be its ability to offer uniform services on a global basis. "This is bringing together those elements of C&W that are spread around the world in order to provide the customer with a uniform service right across the globe," says C&W Director of Business Development Jonathan Solomon. "From a C&W point of view not to do that would be a waste of resources because, in a way, what we are trying to do is exploit one of our natural advantages — a global presence." J.W.

• Analysts are still trying to assess the implications of the sweeping changes announced recently by British Telecom.

The changes involve less autonomy for the company's district-based U.K. management and sales organization and the end of its flirtation with hardware manufacturing. Up to 4,000 middle managers are also to lose their jobs, although BT has begun a recruitment drive in Europe for business professionals.

The reorganization, internally code-named Scoop, had been in preparation for some time, but will not be fully in place until April 1991. One result of the changes could be the accelerated introduction of the Integrated Services Digital Network (ISDN), a commercial opportunity that many believe was not always fully exploited by the former district organization. J.W.



IN 1993, THE EUROPEAN COMMUNITY WILL BECOME

ALMOST AS INTERNATIONAL AS ALLIANZ.

In 1993 the 12 member states of the EC will achieve a new dimension in international cooperation. For us, on the other hand, cooperation across national borders has been a reality for a long time. In addition, Allianz has demonstrated impressive technical and financial competence as a partner of business and industry for 100 years.

It's no coincidence then that we are the leader in the demanding European market. Today, Allianz provides the insurance for large-scale technical and industrial projects throughout the world.

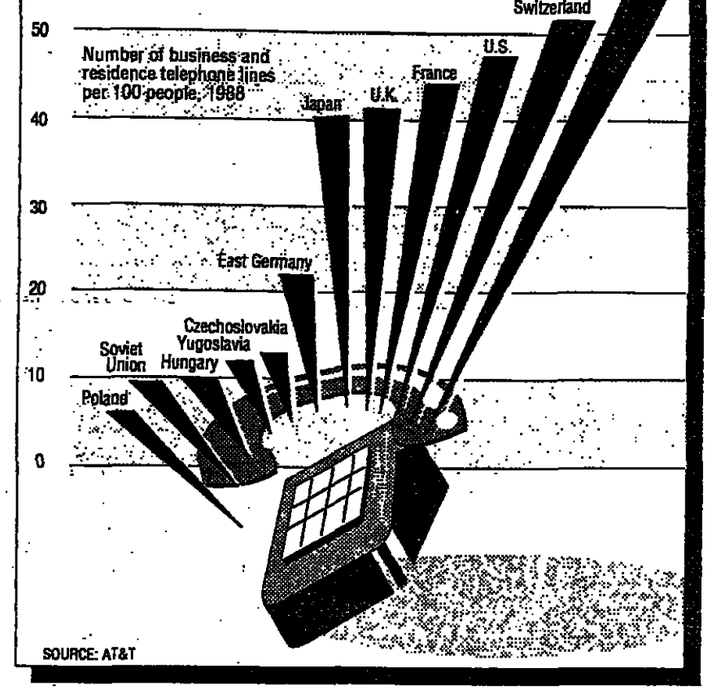
Allianz

EUROPE'S LEADING INSURANCE COMPANY

1992

OPENING THE LINES

Eastern Europe – with 400 million consumers and currently very limited telecommunications services – is seen as the top potential market for Western telecommunications suppliers in the 1990s.



SOURCE: AT&T

Briefs / Telecom Updates

• The **Netherlands PTT**, although privatized in January 1989 and increasingly profitable, will not offer public shares for at least five years, according to company executives. The immediate goal of Royal PTT Nederland NV, the newly created holding company, is to complete the transition to the private sector and to boost investments while meeting stiffening competition.

A major effect of the privatization move was to allow the PTT new flexibility in decision making, a company spokesman says, citing a cumbersome rule that previously required the approval of the Dutch parliament for every expenditure exceeding 100,000 guilders. "We now operate like a private company; we are not officials anymore, and that was the first, key step," an executive says.

Commenting on the first year's results, President B.J.M. Vermaayen says that "without overstating our achievements, we've done better than expected – and better than many people on the sidelines thought possible."

Net profits in 1989 rose to around 1.4 billion Dutch guilders on turnover of more than 13 billion guilders. On an adjusted basis, the turnover last year represented an increase of 6 percent.

Both 1990 turnover and profits will rise from last year's level, and a slight decrease in the PTT work force is planned from the 95,200 persons employed at the end of 1989, executives say. Meanwhile, to meet rising demand for equipment and services, investments will increase to 3.9 billion guilders this year from 3.5 billion guilders spent in 1989.

Eastern Europe / Investment Prospects

West Cautiously Bullish On Opportunities in East

Although East European countries are determined to catch up with the West economically, they have realized that their antiquated telephone systems are hampering efforts to restructure their economies and attract Western investment.

European and U.S. telecommunications companies have concluded that East European nations and the Soviet Union will have to spend over $100 billion by 1995 to overhaul and expand their telecommunications sys-

A system overhaul could cost over $100 billion

tems. Although many analysts criticize any estimates as hypothetical and unverifiable, no one doubts the prospects in a market of 400 million consumers.

"The Western market is oversaturated," says one industry insider. "And many producers think that providing telecommunications in Eastern Europe will be like being in the Sahara and having to supply water."

The latest figures of American Telephone & Telegraph Co. show that East Germany has 23.3 telephone lines per 100 people, Czechoslovakia 13, Yugoslavia 12.9, Hungary 10, the Soviet Union 9.7 and Poland 7, compared with a Western average of 45 lines.

Doing business in Eastern Europe is a difficult, long-term proposition. "There are a lot of issues which have to be resolved to move from raw potential to actual business," says Tom Pound, general manager of Canada's Northern Telecom in charge of Eastern Europe.

"We're just at the beginning. Many big contracts are going to materialize. We're bullish, but with caution," says Dan Rosen, AT&T's managing director for Northern and Eastern Europe. "Eastern Europe needs almost everything we make. But their ability to absorb new technologies or pay for them is limited at present," he says.

Companies must be prepared for months of tough negotiations. Established officials have often been replaced, and the postal and telecommunications services are no longer exclusive brokers. A lot of private firms have sprung up, and they are all trying to survive.

There is also widespread uncertainty about how far economic reforms will go and whether a legal basis for foreign participation will be established. In addition, restrictions on high-tech exports by the Paris-based Coordinating Committee on Multilateral Export Controls (Cocom) are keeping business deals from being implemented. Many are in what industry sources describe as "a holding pattern."

A new generation of technicians and engineers will also have to be trained. In converting the old analog systems to digital technology, compatibility among the various Western technologies is a lesser problem than adapting to an existing network.

In the past, East European nations relied on systems bought from each other or sometimes on license from the West. They invested large sums in trying to develop their own technologies, such as the "Quartz" system, which East Germany and the Soviet Union have now reportedly decided to drop. The result was a severe shortage of telephone lines and long waiting lists. Offers from Western suppliers often fell on deaf ears. Except for a few showcase projects, Eastern countries rarely spent hard currency on modern telecommunications.

But the reform process in Eastern Europe has changed all that. In the past year, Western firms signed a series of agreements in Eastern Europe. The biggest project to date is a $500 million contract for U.S. West Inc. to construct a fiber-optic cable across the Soviet Union, the longest such connection in the world. The firm has lined up seven partners for its Trans-Soviet Line project linking Japan, the Soviet Union and Europe.

Recently, Alcatel NV, the West German subsidiary of the French telecommunications giant, concluded a joint venture with VEB Kombinat Nachrichtenelektronik of East Berlin to set up a firm manufacturing 900,000 digital telephone lines annually. Alcatel will cooperate with Kombinat in the fields of line transmission systems, public switching, special networks and radio relays.

Kalman Kovacs, BHG Telecommunications general manager (center), signs a joint-venture agreement with Walter Skorpik, president, Austria Telecommunications (left) and Pat Hogan, VP, NT Europe (right).

In February, Alcatel became the first firm to sell digital exchanges to East Germany, winning a contract for 14 containerized exchanges with 34,000 lines of its advanced System 12 technology.

So far, Hungary has been the main target of Western suppliers. U.S. West concluded a joint venture for a national cellular telephone system worth $10 million in its first phase, Northern Telecom one for digital switching systems, and the Swedish group Ericsson a contract for mobile telephones. A Siemens joint venture, DUNA-Kabel Kft., will construct a 1 billion-forint factory to produce telecommunications cables by 1991.

In Poland, AT&T has signed agreements for digital systems, and Northern Telecom is negotiating for a long-distance network. GPT will supply pay phones in the Soviet Union, and Alcatel is negotiating a joint venture to assemble phone switches in Leningrad.

However, most of the big contracts are still up for grabs, and Western firms are trying to outbid each other. Hoping for a foothold in Romania, a major Western supplier reportedly agreed to install a multi-million-dollar switching system in Bucharest free of charge.

"We're fighting really hard. It's very tough to get a contract," says Gunnar Ossing, a marketing director for Ericsson.

Unwilling to depend on one supplier, East European nations are eagerly trying to line up multiple sources.

"A lot of governments choose to forgo careful planning, opting for quick solutions that may be unfeasible in the long run," says AT&T's Dan Rosen. For example, cellular systems are faster than those depending on cables, but they translate into higher costs and are less suitable for data or fax transfer.

Although there will be some deliveries, East European nations usually prefer joint ventures in order to establish local production sites and avoid hard currency payments. Some deals will tie the project to increased imports by the Western partner, or to credit lines extended by Western banks.

Western companies argue that the fast pace of technological change in the industry, the difficulty in checking up on exports and the need to encourage the democratization process in Eastern Europe should lead Cocom to loosen up on restrictions to the region.

For example, U.S. West Inc. is awaiting approval of its Soviet contract, as well as its joint venture in Hungary to establish a national cellular telephone system. Ed Mattix, the firm's public relations director, has another argument:

"The projects will be done with or without our technology. They can get it elsewhere," he says. "Cocom regulations don't make any sense at this time."

Clifford Stevens

The International Herald Tribune is honored to welcome these world-renowned companies as sponsors of its 1992 series.

ALCATEL
WestLB
Die Westdeutsche Landesbank
Allianz
RHÔNE-POULENC
In Touch with Tomorrow
TOSHIBA
International Herald Tribune

"I wonder if he understood a word I said".

The growth of business and personal relations depends on clear communication. And increasingly today, we need to understand languages besides our own.

That's why Toshiba technology has developed the Translation Accelerator System. It provides a draft translation from English into Japanese with incredible speed. Without a language barrier, we can all come to a greater understanding of each other.

From color televisions and microwave ovens, to power plants and medical and office equipment that utilize the latest electronics technology, Toshiba's diversified technology is at work for you everywhere in the world.

Toshiba Automatic Translation Accelerator System.

In Touch with Tomorrow
TOSHIBA

1992 The World's Path to a United Europe

Satellites / Pan-European Collaboration

Sky-Tech Boom Sharpens Competition in Eurovillage

Satellites, along with multinational industries that rarely respect man-made borders, are largely responsible for creating the global village. Europe's long-sought autonomy in satellite construction has led to numerous collaborative projects in the past 15 years. Many of the organizations and corporations involved in the business have been pan-European — if not global — in scope since their inception and consider themselves well prepared for a frontier-free Europe.

Now pan-European technical norms and standards, coupled with the incessant trend toward deregulation throughout the telecommunications sector, are sparking a variety of new strategies and products for an era in which an increasing number of satellites — offering high-speed, high-capacity, high-quality transmission to multiple points over vast areas — will handle more voice, data and video communication.

> The primary thrust of the '90s will be deregulation

Satellites in geostationary orbit, initially deployed to handle telecommunications and television traffic, are now also employed for a variety of business communication purposes, including videoconferences, high-speed data transfer and mobile communications. Future "birds" will be increasingly multipurpose in function, with expanded technical and service capabilities.

The 1990s will illustrate how successfully operators, manufacturers, service providers and telecommunications administrations can cope with deregulation and thrive in a competitive environment — with more cross-border bidding perhaps even putting an end to the European tradition of awarding contracts based on a country or company's financial position in a particular project.

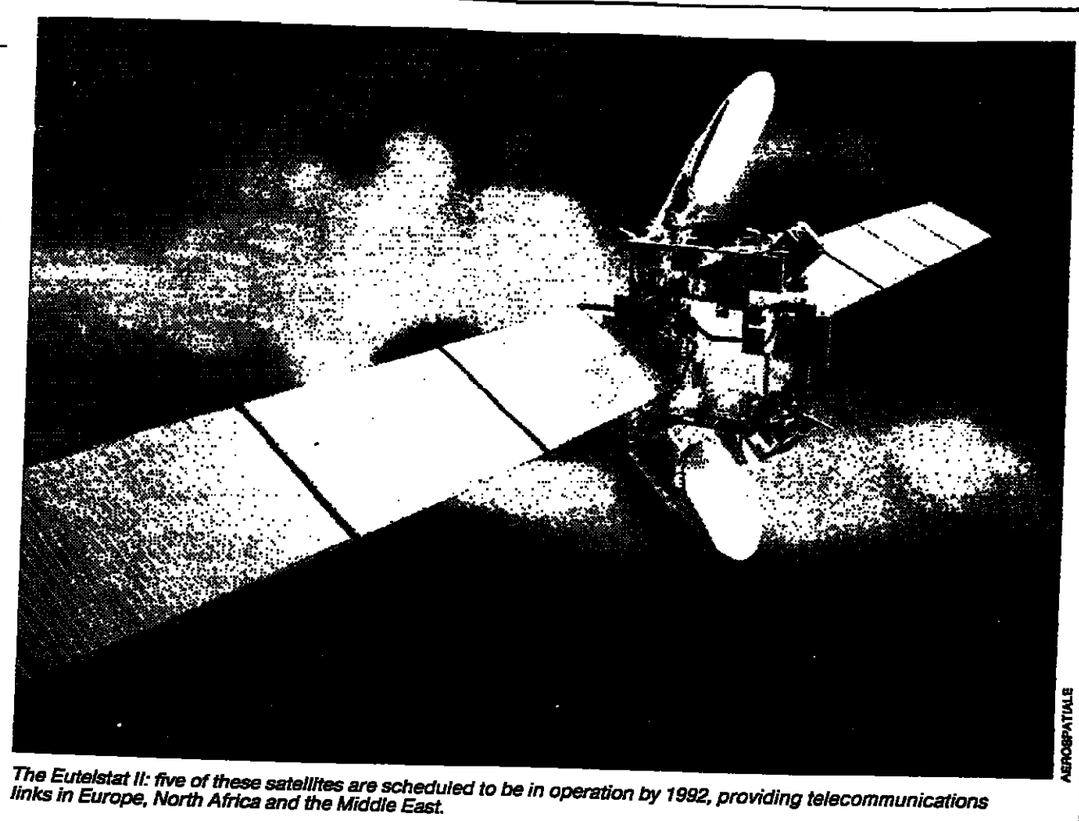
"The most significant step in the European space industry occurred in the 1970s when there was a general decision to collaborate rather than bash heads," recalls Roy Gibson, who from 1966 to 1980 was director general of the European Space Agency — the coordinating body for most space activities in Europe — and is now an advisor to the director general of the International Maritime Satellite Organization (Inmarsat). "The primary thrust of the 1990s will be deregulation and the necessity for most satellite operators to move into a competitive, multiservice environment."

Satellite manufacturers, who have formed pan-European ventures such as Eurosatellite, have reached a period of consolidation, and Europe's primary manufacturing consortia are currently seeking stakes in or increased contact with American and Japanese operations. Europe, still a near-captive market for many of these companies, is now considered just one slice of the pie in the sky.

"We consider Europe our domestic market, and we haven't waited for 1992 to become a multinational in a global market," says Claude Sanchez of Arianespace, the commercial space transport company established in 1980 by 36 European aerospace and electronics corporations. "Over half of the 81 satellites we have contracted to launch are from outside Europe."

But the true international global village is created by orbiting satellites operated under the auspices of organizations such as International Telecommunications Satellite Corp. (Intelsat), with 117 member nations; Inmarsat, which was launched as an organization to provide communication facilities to the maritime and offshore industries; and the European Telecommunications Satellite Organization (Eutelsat), whose satellites provide channels for international and domestic communications. All these groups are enlarging their organizations and increasing the number of their satellites.

Poland and Romania have just become members of Eutelsat, expanding the group to 28 European states. The four Eutelsat I satellites will be augmented by five medium-power Eutelsat II satellites by mid-1992 to provide additional links for telephony, television and business services throughout Europe and parts of North Africa and the Middle East. Eutelsat was initially a telecommunications satellite but now generates most of its revenue from television transmission and has expanded into mobile communications and VSAT (Very Small Aperture Terminals) networks.


AEROSPATIALE

The Eutelstat II: five of these satellites are scheduled to be in operation by 1992, providing telecommunications links in Europe, North Africa and the Middle East.

Inmarsat is scheduled to launch another satellite this autumn and has diversified into aircraft and land mobile services. Inmarsat satellites, for example, now enable air travelers to make telephone calls from aircraft flying between London and New York.

Intelsat provides services to telecommunications companies, financial networks, multinational corporations, news services, radio and television broadcasters and individuals in more than 170 countries. How far has it come since it was founded over 25 years ago? The cost for a basic voice circuit has been reduced by over 100 times in constant dollars.

These organizations will be among those providing new business services permitted by a liberalized single European market.

"The business and data communication traffic employing satellites will burgeon in post-1992 Europe, with substantial growth in areas like paging and mobile transport systems," predicts Robert Marshall, associate director at CIT Research Ltd. in London, which produces studies on the communication and information technology industries. "The advent of 1992 is forcing European PTTs to permit services like two-way VSAT."

VSAT networks provide business with direct high-capacity communication links for computer-to-computer data transfer, high-speed facsimile, videoconferences or other services. Private VSAT networks are widely used in the United States by manufacturing, retail and financial organizations but have not been permitted in Europe due to restrictive regulations. Yet deregulation and liberalization programs now evolving on a national and pan-European scale will inevitably alter this situation. And private companies, such as West Germany's Daimler-Benz, will establish their own pan-European two-way VSAT networks.

Another new market is mobile data and/or voice communication services, which include two-way exchanges between vehicles on the road and their central offices. Eutelsat, Inmarsat and the pan-European Locstar consortium, which plans to launch two satellites in 1992, are among operators planning these systems.

Despite these advances, the satellite boom most noticed by the average consumer is invariably satellite television, which has demystified the technology and created a fast-paced market for satellite operators, manufacturers of satellite antennae and broadcasting and programming companies.

"Direct satellite television is actively pan-European; the frontierless industry has come of age," says Marcus Bicknell, commercial director of Astra's operating company, Société Européenne des Satellites in Luxembourg. "We will double the number of channels we offer when we launch a second satellite later this year, and that will help expand the market."

"Satellite television is no longer the domain of the wealthy or crazy," adds Robin Morris, president of Riviera Satellite, a private venture aimed at the large market of foreign residents in southern France.

Many consumers now have satellite dishes on their properties, which, depending on the neighborhood, are regarded either as status symbols or environmental eyesores. In Spain, newspapers list offerings on *"antena parabólica,"* and such program providers as Rupert Murdoch's Sky Television are reaching viewers on a pan-European basis.

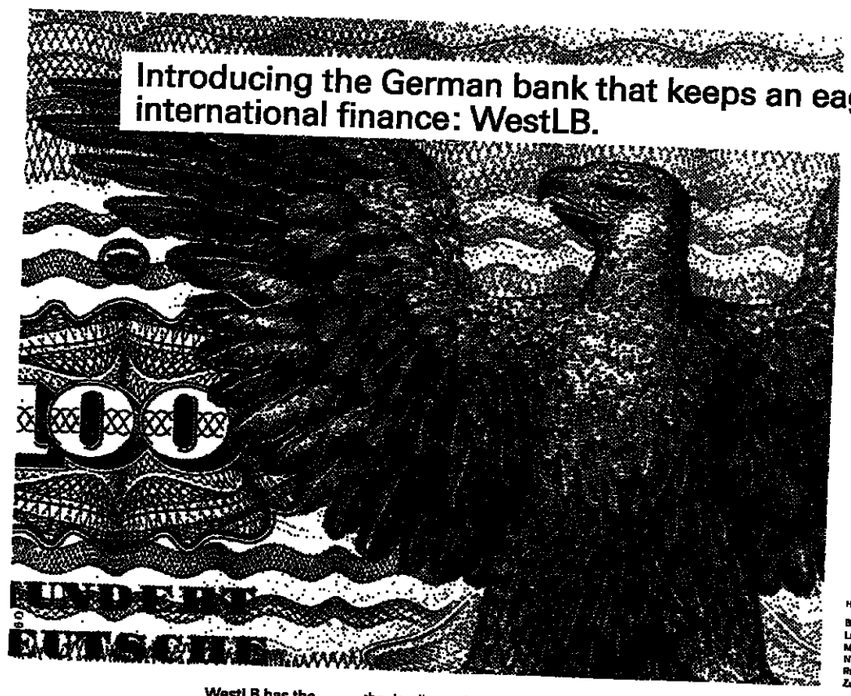
"Nineteen-ninety-two should result in standardization regarding pan-European advertising, and this could certainly provide an impetus for the growth of satellite television," explains Robert Marshall of CIT Research Ltd.

Still, the satellite communications business is considered a high-risk industry due to periodic technical failures at the launch pad or during the activation of satellites. Indeed, some satellites created for reasons of national pride are virtually dead in the sky because they have been eclipsed by niche or multinational operators. Installing dishes has recently been a boom business, but creating programming for a pan-European public is still considered a step into uncertain terrain.

Yet research is continuing on a corporate, national and pan-European basis — from arcane scientific projects to more commercial developments, such as the Eureka program's high-definition television standard called HD-MAC. Future satellites will all feature more power, increased channels and greater technical flexibility.

"It is extremely significant that the European Commission is now helping to inspire research and development projects in space," concludes satellite and space pioneer Roy Gibson. "But the ultimate name of the game is to use satellites to provide less expensive, more varied and more reliable service in every possible area."

Joel Stratte-McClure



WestLB has the vision for successful corporate business. Worldwide.

20 years of experience in Corporate Finance, the solidity of a state bank and the leading role played by WestLB. On this sound foundation, WestLB successfully combines classical products with innovative solutions, applying the right mix of state-of-the-art technology and personal creativity. That's why WestLB rightfully belongs at the top of your shortlist – from Corporate Finance and Investment Banking to Treasury.

And thanks to a global network stretching from Düsseldorf to New York and from Tokyo to London, WestLB is always waiting in the wings – wherever you operate.

Head Office Düsseldorf
Beijing, Hong Kong, London, Luxembourg, Madrid, Melbourne, Milan, Moscow, New York, Osaka, Paris, Rio de Janeiro, Tokyo, Toronto, Zurich

WestLB
The Westdeutsche Landesbank

Telecommunications / The Twin Directives

Open Markets, Reduce Fragmentation

Continued from Page 9

90 percent of telecommunications business) and network infrastructure, allowing independent companies to compete with national monopolies in offering new pan-European services on the telecommunications network. Its regional impact will depend on the different national legislations currently in force.

National operators will still have to fulfill their public service obligations, but they will be free to compete with private companies in providing new services. The commission is confident that the PTTs will be able to boost their revenue and that profits from the lucrative "value-added" market will not be creamed off exclusively by the new private operators.

The package should promote efficiency, innovation and lower costs, offering consumers a wider choice at competitive prices as the industry develops. It should also make the European telecommunications industry better equipped to face international rivals.

The commission says national PTTs will no longer have the power to regulate private companies or license access to the national network. This will be the responsibility of new bodies nominated by national governments — in the mold of Britain's Office of Telecommunications, Oftel.

The commission wants all member states to publish technical details of their networks and interfaces before the end of this year, to abolish all restrictions on the processing of signals before or after transmission on the public network and to allow existing long-term contracts to be broken.

In order to give the telecommunications authorities time to adapt, the commission's proposal will not cover the resale of leased lines — which would be used to compete with the public data communications service — until January 1, 1993. The commission said in December that it would consider extending this deadline to January 1, 1996 for countries where telecommunications infrastructure is poorly developed, namely Greece, Spain and Portugal.

National governments will, however, be free to draw up a set of obligations to be met by private operators in cases where competition from private packet- or circuit-switched services threaten to disrupt the public service network. Details of these obligations must be submitted for commission scrutiny before they pass into law.

The Siamese twin of the liberalization directive is the Open Network Provision, which aims to set European technical and legal standards and make liberalization possible by eliminating obstacles to international trade, including technical specifications, terms of use and tariff accounting procedures.

The commission will develop technical interfaces and standards in close collaboration with the European Telecommunications Standards Institute (ETSI). At first, European standards applying to a large range of services will be voluntary, but if the commission finds that standards are not being adopted and obstacles to international trade remain, it will make them mandatory "to the extent strictly necessary to ensure inter-operability and to improve freedom of choice for consumers."

A draft directive on liberalizing satellite services is due later this year, although it is unlikely that the commission will resort to Article 90 again.

A ruling from the EC's Court of Justice due this summer could undermine the commission's confidence in using Article 90 as the stick with which to beat the large monopolies into submission.

The ruling concerns a 1988 directive, also based on Article 90, that sets harmonized technical specifications for such telecommunications terminals as telephones, faxes, modems, switchboards and telexes.

The directive had specified that, as of July 1, 1989, governments had to publish information on terminals and equipment so that foreign producers could compete on national markets. Customers should also be given the chance to terminate existing long-term leasing contracts and seek new suppliers. An independent body should oversee these specifications and type-approval procedures.

France challenged the commission's recourse to Article 90 in the EC Court. In his opinion, Advocate-General Giuseppe Tesauro sided with the French government. The court usually, but not always, follows the Advocate General's advice.

Commission officials are waiting to see whether the court overturns the advice of Mr. Tesauro, known for his controversial recommendations. If not, it is expected that Belgium and France will take the commission to court for using the same Article 90 procedure that was used to adopt the liberalization directive.

A BT spokesman says that "the commission proposals are quite mild compared with what has already happened in the U.K., ...but it would have been a very brave commission that proposed to go further." In Britain, Mercury competes in the market for voice telephony; a new rival, National Network (Natnet), appeared on March 26 offering to market special services (such as data, fax and voice transmission) via spare capacity leased from BT and Mercury in return for a monthly fee. The spokesman says that BT would welcome greater liberalization, provided the resulting competition is fair.

The ONP can be "a sensible compromise," he continues. "The debate revolved around the question of what services the open network provision should apply to. ONP should concentrate on reserved services like voice telephony and infrastructure, leased lines and so on. A number of member states and the commission didn't agree and wanted to cast the net much wider. The compromise may work; it may not. But it is a much more sensible approach to go for voluntary standards with the possibility of mandatory standards than to opt for mandatory standards from day one. Mandatory standards should focus on reserved services and key areas and certainly shouldn't restrict consumer choice," he says.

Paul Provost, director of public affairs at AT&T, says, "The last six months of this year will prove crucial as this is when the PTTs have to present their licensing conditions to the commission for approval. As we enter 1991, we will have a better understanding of the industry and the rules of the game, and we'll see many more new entrants into the services markets."

AT&T is confident that it is in a good position to take advantage of liberalization, but critical of the trend toward setting European technical standards. "We want to promote the use of international standards. It's very difficult to promote inter-operability if we don't know what the new standards are," Mr. Provost says.

Lucy Walker

Briefs / Telecom Updates

• **The European Commission's** competition services are investigating allegations that the International Telephone and Telegraph Consultative Committee (CCITT) is operating a price fixing cartel and overcharging customers to the tune of $10 billion a year. The cartel, whose members include AT&T, British Telecom, West Germany's Bundespost and KDD of Japan, is said to be involved in price fixing and uncompetitive behavior that restricts the role of new and small private companies in the international market and forces customers to pay excessive rates for international calls.

Technological advances make the true cost of international and even intercontinental calls only a fraction above domestic long-distance calls. The commission has requested a confidential report prepared by the OECD last year on international telephone tariffs and pricing rates and will open proceedings if it suspects anticompetitive price fixing.

L.W.

1992 The World's Region

Japan / Cautious Investment

A Wait-and-See Approach To a Difficult Market

In European telecommunications, Japanese participation resembles a 900-pound gorilla joke. If Japanese companies decide to show up at the party, they can probably sit anywhere they want. But, so far, the Japanese have only stuck one big toe in the door.

Michael Armitage, the European telecommunications analyst for London stockbrokers Morgan Stanley, says Japanese participation has been "sort of a non-event so far." "I'm constantly expecting Fujitsu or NEC to break into the European market, which is growing faster than, say, the North American market. But they've kept a very low profile."

The exception is Telehouse International, a venture involving British Telecom, American Telephone and Telegraph Co. and Kokusai Denshin Denwa (KDD), Japan's main international telecommunications group. The London-based collaborative venture is aimed principally at the British overseas communications and data processing markets, though expansion throughout the rest of Europe is a possibility.

New joint venture opens door to European market

"It's very much the big boys together in an exclusive club to impress on their major corporate customers their international capabilities," Mr. Armitage says. "It's for companies with a complex global network linking up offices throughout Europe, the Far East and North America. In the past you would have had to deal with different operators. Now if you go to BT or AT&T, they will take the problem on board for you."

Derek Willson, a spokesman for British Telecom, says the collaborative venture is designed to "develop services for businesses using the latest communications methods and systems."

Through Telehouse, the three organizations are now connected to use the new Integrated Services Digital Network. ISDN is the high-tech, high-speed, high-resolution network that allows better, faster transmission of visual images as well as the sound of the human voice.

"The new company is a further sign of the rapid breakdown of the long-standing monopoly structure in international communications," according to a report published in 1988. "Until very recently, overseas telecommunications throughout the world were handled by national telephone system operators dealing with similar companies abroad."

Telehouse International's services include space for customers from anywhere in the world to install their own telecommunications and data processing computers, which are then operated by Telehouse on a global basis. The service includes a full range of communications advice and all negotiations with foreign telephone companies over international traffic access and rates.

"We believe one important way forward is to meet the networking needs and solve the problems of our major customers," says Mr. Willson. "Increasingly, our customers are operating on a worldwide scale. They are also relying increasingly on communications. For many companies without modern telecommunications, their business would collapse. Our principal strategy is to be able to offer a global networking service."

Stepped-up competition and deregulation in anticipation of 1992 and the single market have made Europe perhaps the most liberal — and perhaps the toughest — telecommunications market in the world, Mr. Willson says.

"Obviously, the Japanese influence is very strong," he says. "They've made a lot of equipment, from digital telephone exchanges to customer equipment. But I'm not aware that they have strengths in networking capabilities in the same way the Americans and British have. From that point of view, Japan figures less strongly in this area than it does in other areas of the telecommunications industry."

Indeed, many Japanese electronics companies say they are carefully watching developments in the EC and in Eastern Europe, but are not yet ready to take a major plunge. "For the future we have a great interest in car telephones and personal telephones," says R. Sato, a London spokesman for Toshiba. "The problem remains competition limits, as laid down by EC laws, and differences in specifications and standards regulations. It may be there is potential for business in Eastern Europe, but for the moment we have to wait for a while."

Similarly, Canon is being cautious in Europe. Tsuneo Hara, a Canon group executive, believes that ISDN's current high costs will eventually fall to the point that new equipment such as ISDN-linked telephones and faxes will be in common household and auto use by the year 2000. He predicts that people will receive their mail and newspapers by ISDN home fax and will get traffic reports on their mobile faxes as they drive to work. But, until costs come down and the market becomes clearer, companies such as Canon will wait.

Michael Armitage, the Morgan Stanley analyst, offers several explanations for the reluctance of more Japanese companies to take a bigger dive into the European telecommunications market right now. First, he cites the "local influence" in the European markets and the tendency, especially in Britain, to deal with Americans if deals with outsiders are necessary. "The main technological driver is still American," Mr. Armitage says. "The Japanese don't have the same software capability. That's what telephone companies are crying out for at the moment — value-added software."

Even in traditional Japanese strongholds such as equipment, he says, "There is more than enough competition from European and American suppliers."

On the operator side, Mr. Armitage says, "I don't expect European companies to be assaulted by Japanese telephone company deals. Europe will largely be addressed by Europeans."

However, Mr. Armitage is quick to add that no one in Europe — neither producers nor users — is writing off the Japanese in the future. "We should never underestimate the Japanese," he concludes. "They have skills for manufacturing process technology. That's what's gotten them where they are in other areas. What they haven't demonstrated yet is a particular strength in communications software, specifically related to customer services."

Timothy Harper

The Soviet Union / Toeing the Fiber-Optic Line

U.S. Security Interests May Curb Project

Today's high technology telecommunications links are said to span the globe. They don't. The Soviet Union's antiquated telecommunications system is the missing link in the world's network of fiber-optic lines.

U.S. West Inc., a Denver-based firm, is proposing to remedy that by stretching a 6,000-mile (9,656-kilometer) fiber-optic line from Vladivostok to Moscow, where it will then branch

The TSL could control 20% of all Asia-Europe traffic

off to points in northern, central and southern Europe. U.S. West has assembled a consortium with seven Asian and European telecommunications firms to do the job, which could be completed by 1995.

U.S. West faces a major hurdle, however, in securing the Bush administration's approval of the project, which it calls the Trans-Soviet Line (TSL). The National Security Agency and other departments of the government that use the NSA's satellite-based monitoring of the Soviet Union's telecommunications lines are fearful that the U.S. West project will cut off a valuable source of intelligence about the Soviet leadership because fiber-optic lines are much more difficult to penetrate than the current Soviet system.

Richard Perle, a former assistant secretary of defense, charged during a recent Congressional hearing that the TSL would be "devastating to the ability of the United States to collect intelligence about the Soviet Union."

Laird Walker, a U.S. West vice president, says the company is a "good corporate citizen" and won't violate the national interest. U.S. West officials assert that if the U.S. government doesn't allow American participation, other members of the consortium will probably go ahead with the TSL. A similar development took place in the mid-1980s when the Reagan administration vetoed plans by U.S. firms to work on improving China's telecommunications network. European companies stepped in and won the deals.

The acceptance of the U.S. West project should help U.S. companies gain a foothold in the modernization of the Soviet telecommunications system. U.S. exports of telecommunications equipment to the Soviet Union totaled only $3.3 million in 1988. The TSL could by itself bring in $1 billion in revenues to the company and other U.S. firms involved in the initial installation and follow-up management services, according to U.S. West estimates. The company cites market analysts who predict that total Soviet purchases of telecommunications equipment will exceed $13.4 billion in 1990 and $20.3 billion by 1995.

The other members of the consortium are: Kokusai Denshin Denwa (Japan), British Telecom, Great Northern Telegraph Co. (Denmark), Deutsche Bundespost Telekom (West Germany), OTC Ltd. (Australia), STET (Italy) and Telecom Denmark.

While acknowledging the security concerns, U.S. West emphasizes that the project will provide the Soviet Union with only limited gains in technology. It will be two to four generations behind the state of the art, and no components will be built or repaired in the Soviet Union. The project doesn't involve the transfer of manufacturing technology, high-speed computers or switches, either.

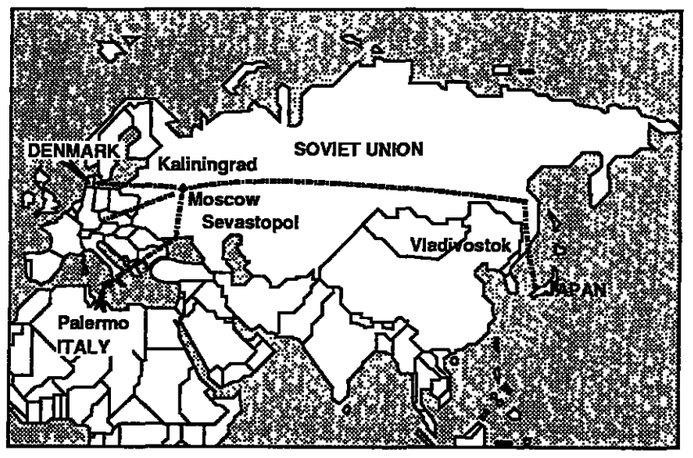
The company also points out that the installation of the TSL by American technicians will give the United States an intimate look at the Soviet telecom system, providing knowledge that could be useful for intelligence purposes in the future.

U.S. officials have made no public comment on the TSL proposal since an export control license application was filed by U.S. West in January. But even officials of the pro-export Commerce Department admit privately that the deal raises serious security issues.

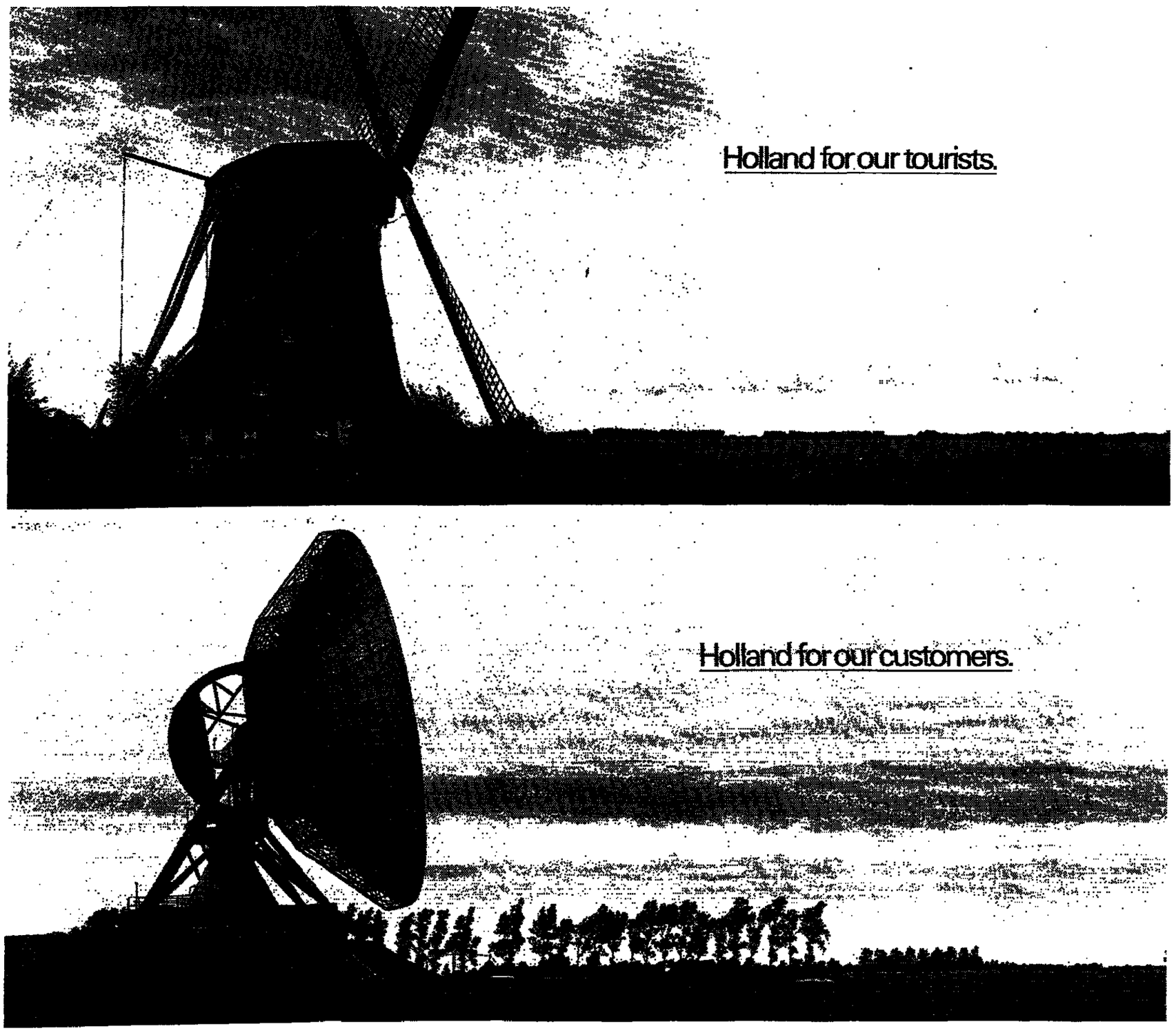
U.S. West is hoping for a decision from the Bush administration by early summer. The government's stance will be linked to the proposal it makes on telecommunications trade at a June meeting of the Coordinating Committee on Multilateral Export Controls (Cocom), the body that sets guidelines for Western technology exports to communist nations.

Earlier this year, the U.S. proposed loosening restrictions on several categories of goods, including telecommunications technology, but it argued that the changes should be limited to East European countries that promise to keep Western technology out of the hands of the Soviet Union. The U.S. is under heavy pressure from its European allies to extend the liberalization of export controls to the Soviet Union.

Steve Dryden



A proposed 6,000-mile fiber-optic cable communications linkup between Europe and Japan is scheduled to be completed by 1995.



For many centuries windmills have symbolized the ingenuity of the Dutch in reclaiming land from the sea.

But nowadays some completely different features are appearing on our skyline as a result of modern commercial activity.

Dutch telecommunications facilities are already among the best in the world. And now we are preparing the telecommunications infrastructure for our customers' communication needs after 1992.

We are ready for the new opportunities which will unfold as frontiers disappear and as other countries, on a worldwide scale, evolve to become a single internal market.

Besides our high-quality infrastructure, in which optical fibre technology and satellite communications play an important role, we offer users a wide range of high-quality services. These include speech, text and data, as well as video communications.

Major international companies even route their communications via the Netherlands to benefit from all our facilities.
Our favourable charges are of course an added attraction.

To stay at the forefront of telecommunications, we are changing the skyline of our polder landscape here and there. Still we are, as you can imagine, very fond of our windmills.

For more information, you can directly contact our manager International Account and Project Management Group, the Netherlands, telephone + 31 70 343 37 85.

ptt telecom

1992 The Making of the European Single Market

EDI / Widespread Applications

Data Networks Replace Office Paperwork

Two decades after computers started to change the ways companies organize their businesses, European firms are at last beginning to use information technology instead of paper to communicate with one another.

Large manufacturers and distributors eager to link up with suppliers and customers lead the movement, while both public- and private-sector vendors of network services — together with computer hardware and software companies — peddle their wares. The element common to such schemes is direct communication between computers in different companies or electronic data interchange (EDI). Business applications start with automated stock ordering, invoicing and payment, and spread to integrated manufacturing, computer-assisted design and manufacturing (CAD/CAM), production planning and product specification.

By 1993, 70% of U.S. firms will be using EDI

The EC's ODETTE project, devised for car manufacturers, provides one example at the pan-European level; the British record industry is a local case. Three U.K. companies — Polygram, EMI and BMG — recently formed a joint EDI subsidiary called EROS Music Systems. "More than three hundred record shops around the U.K. are already using our system to place their orders electronically," explains Peter Siggery, general manager of EROS.

Because weekly U.K. music charts are published each Sunday, all record shops want to place their orders on Monday morning. "Often retailers would spend all day vainly trying to get through on the phone," Mr. Siggery says. "Our new procedure saves both time and money and helps give our three member companies a competitive edge."

EDI can work effectively only if three basic requirements are met. Data transmitted between parties needs to be represented in a standard way, translation software is required for the leap between in-house computer talk and the agreed data standard, and an appropriate network must be in place to communicate the data. Most systems have been developed for a specific industry within a single country, and each has tended to adopt its own standards.

Virgin Megastore is one of the 300 U.K. outlets using the EDI system.

This is changing. The Geneva-based United Nations Economic Commission for Europe (ECE) has developed an international standard, EDIFACT, to reconcile two existing incompatible standards, the ECE's own Guidelines for Trade Data Interchange (TDI), previously applied in Europe, and the North American X.12 standard. U.S. and European groups are now working out practical applications and trying to secure general acceptance.

According to projections by the Organization for Economic Cooperation and Development, expenditure on data processing by the 13 main West European countries will almost double in real terms over the period 1984 to 1991.

"Currently, the U.K. accounts for half the total European market," says Philip Crocker, European EDI marketing manager with Digital Equipment Corporation in Britain. "Estimates of expanding take-up rates should be treated cautiously," he adds. "For example, it is predicted that 70 percent of American firms will have switched to EDI by 1993. Yet a survey undertaken by Frost & Sullivan in New York suggests that only 10 percent of these firms will by then be making full use of the procedure."

There are two main options for setting up EDI links. The more common is to use a value-added network (VAN), in which the operator agrees to store and retrieve messages and may offer supplementary services. The second is direct communication — usually over public data networks, though a private network could be used. In this case the parties make the necessary arrangements to ensure that messages can be sent and received at all times.

"The VAN is an excellent solution at the moment, though this method will begin to lose its advantages as more sophisticated hardware and software come onto the market," Mr. Crocker says. "Currently, I believe there are only two companies with sufficient spread to provide pan-European network services — GEISCO and IBM." National PTTs are becoming interested in the market and seeking to acquire international expertise.

International banks could become competitors in the provision of network services, though so far they have not been active in the EDI field. Finance was one of the earliest sectors to communicate messages electronically. Some of the largest institutions own their own networks, while the Belgian-based Society for Worldwide Interbank Financial Telecommunication (SWIFT) provides a mutually owned link between members.

"Big companies can look after their own EDI requirements. Now it is time to help smaller firms make the necessary adjustments," comments Etienne Dreyfous, a Paris-based consultant and chairman of EDI-France, a national association set up in January. "We also have to place the subject in its total context and not look at it merely as an exercise in saving direct costs."

"If you compare car production techniques, for instance, you can see at once that the full integration of EDI procedures in the design and production process allows Japanese manufacturers to start the process later and finish it much sooner than Europeans can," Mr. Dreyfous says. "Finally, we are talking about a subject that vitally affects basic competitive positioning in global markets."

Michael Rowe

France / Deregulation

French Giant Plans to Split Despite Union Protests

Plans to break the French postal and telecommunications monopoly enter the home stretch this month, when a bill will be debated in Parliament to transform it into two autonomous state-owned enterprises on Jan. 1, 1991.

This is the first of several steps to prepare France Telecom for tough competition when the European Community's telecommunications market opens up. The second will come in the fall, when another bill on telecommunications will be presented to Parliament to set new rules for competition and to bring France into line with the directive now undergoing a bumpy passage through the EC mill.

Although work on the draft bill began some months ago, the process is being held up both by hitches over the EC directive and by the French Parliament's crowed spring agenda.

The aim is for the bill to become law next Jan. 1, but "it is not imperative," comments Michel Feneyrol, adviser to France Telecom's managing director. "We already have regulations for the telecom sector," he explains.

An initial move toward separating regulatory from basic network operations was made in May last year when a general regulation division was created within the ministry. This will follow the U.K.'s example, where the rules and operating licenses are the responsibility of the Department of Trade and Industry. But French labor unions are far from enthusiastic. They have protested from the start, despite reassurances about jobs and a massive government public relation campaign. However, by early April, a minority of the PTT's 450,000 workers joined strikes.

Under PTT Minister Paul Quilès' guidance, the changes have been drawn up after wide consultation with users and personnel. More than 8,000 meetings and seven teach-ins have been held all over France.

Mr. Quilès has a tough job. He has to juggle France's need for public services with the need to earn cash for the state, and allow the two sectors enough freedom to withstand the competition ahead. All without hinting at privatization or threatening employment.

The two entities will still report to the PTT ministry and will have tri-annual contracts with the state. "La Poste" and "France Telecom" will be able to set up subsidiaries at home and abroad. Post offices will be able to sell all insurance products, instead of today's limited range. But the "postal banks" idea has been dropped, largely under pressure from the banking community and Finance Minister Pierre Bérégovoy. PTT employees will retain their civil service status but will not be classified in the same way.

Despite union opposition, no one disputes the need to reform the cumbersome PTT. "Private telecoms and courier firms are making inroads into the markets," Mr. Quilès said in a recent interview. "If we don't do anything, they will take our place."

Once the new structure takes shape, France Telecom's priorities will be to promote mobile services and to bolster its presence in the business sector by offering diversified service packages. "It is not generally known, but we have a very small share of the PABX market," says Mr. Feneyrol. "Last year, we had only 8 percent of the French market, compared with British Telecom's 50 percent in the United Kingdom. We will try to capture a bigger share, but it is going to be very hard, as the prices are not high."

Value-added services, with a system of licensing, have been subject to limited competition for some time, and the market has been open for authorized terminals for many years.

According to a study by the U.K.'s Office of Telecommunications, France Telecom's communications rates are the lowest among major European countries. On a base of 100 for the United Kingdom, France Telecom's charges to private users fell from 78 in 1989 to 76 this year; those charged to businesses from 85 to 83. This compares with a drop from 103 to 98 for private users and 106 to 96 for businesses in West Germany and drops of 101 to 97 and 122 to 120 in Italy.

"When value-added tax of 18.6 percent was introduced on telecommunications services in 1988, we were not allowed to raise our rates at all, which means we took a significant cut in revenues," Mr. Feneyrol says.

Next on France Telecom's list of priorities will be to push for greater harmonization of telecoms systems in Europe. The French operator will also start moving into other peripheral value-added services, taking stakes in or forming cross-border alliances with software companies and other concerns, he adds. Further, it will try to reduce its debt, which now stands at FF 118 billion ($21 billion) and costs 12 percent of its FF 100 billion turnover to service.

Barbara Casassus

THE EVOLUTION OF THE MESSAGE.

As they leap in the water, dolphins "speak" to one another, using sounds and frequencies that are often too high for the human ear to hear. In the language of physics, the dolphins are employing an acoustic channel to transmit a sonic code. Human beings need even more sophisticated means of communication – systems that can transmit not only words, but images and data as well. That's where Telettra comes in. As an industry leader in advanced telecommunication systems. On five continents, Telettra's engineers are building public and private network systems with the unique Telettra expertise and know-how. In Europe and Australia. In North and South America. In Africa. Telettra is a global company with sales of over $1,200 million. And we have another $180 million in capital investments – to say nothing of 1,800 expert scientists – at work for us to design and build outstanding high-tech systems, including prototypes for the integrated networks of the future. Innovation and global quality to leap every barrier, to improve our way of life. **Telettra – Communication in progress.**

Telettra
FiatGroup

TELETTRA - TELECOMMUNICATION SYSTEMS FOR SOUND, DATA, IMAGES.
HEADQUARTERS MILAN, ITALY • 18 MANUFACTURING CENTERS IN ITALY SPAIN NORWAY THE U.S.A MEXICO AND ARGENTINA

هكذا من الاصل

ADVERTISING SECTI

1992 The World's Newspaper

West Germany / The Big Shake-Up

Bundespost Breakup to Revolutionize Telecoms

It would have been unthinkable even two years ago, but what observers describe as "the big shake-up" is now under way in West Germany.

As of the end of 1991, the Federal Republic will have two competing mobile telephone networks, both using digital technologies, each with more than 2,000 local relay antennae.

The first, "D1," will be run by DBP Telekom, the telecommunications arm of the recently divided Deutsche Bundespost (German Federal Post).

But who will modernize East Germany's network?

Mannesmann Mobilfunk AG, a consortium led by Mannesmann AG and including the DG Bank of Frankfurt, Pacific Telesis (San Francisco), Cable & Wireless (London) and Lyonnaise des Eaux (Paris), won the rights to build and operate "D2". DBP Telekom will be the authorizing and regulating body for both itself and Mannesmann Mobilfunk.

MANNESMANN MOBILFUNK

Mannesmann Mobilfunk's portable telephone.

Germans have noticed the revolution in small ways. Telephone bills are now issued by DBP Telekom. Answering machines, which regulations made prohibitively expensive (up to DM1,200, or $712, per unit) are now to be had for under DM300. And as of July 1, Germans will be allowed to buy non-Bundespost telephones.

For foreigners, it was always a surprise to discover that Germany, a world leader in high technology, was so backward in communications devices and networks. Modems, faxes and high-speed data transmission were either expensive or not authorized for private use. Der Spiegel recently reported that Germany's total of 2.11 cordless connections per 1,000 inhabitants was one-sixth that of Great Britain and placed it third from the bottom in Western Europe.

When it comes to delivering letters and assuring completion of telephone calls, the Bundespost is among the best in the world. Despite offering state-of-the-art equipment and services to the world market, its internal hardware, as a recent study in Germany's authoritative trade weeky Wirtschaftwoche divulged, was often pre-computer era and thus highly inefficient and wasteful, a fact concealed by the huge surpluses accruing to the Bundespost from its telecommunications monopoly – some DM1.9 billion last year, according to Bundespost figures – making it the biggest profit-earner in Germany, DM200 million ahead of Daimler-Benz.

Enter Helmut Ricke. As DBP Telekom chairman, his job is to make his new company (the other two entities resulting from the Bundespost split-up are Postdienst for letter and package delivery and Postbank for savings bank and payment services) flexible enough to hold its own against whole new sectors of competitors:

- Satellites, computer networks (used by German insurance companies) or microwave relay-based data transmission systems (offered by subsidiaries of American companies);
- Use of computer mail-boxes and blurring of the distinction between voice and information transfer;
- suppliers of telephones, telefaxes and other equipment ranging from Loewa Opta (Mr. Ricke's former employer) to Taiwanese, Korean and Japanese producers, all of which expect to profit from Germany's reaching the U.S. mark of 2.3 telecommunications devices per person (current figure in Germany is one per person).
- Mannesmann Mobilfunk.

What makes Mannesmann an especially difficult competitor for the Bundespost is its track record. It has been involved in such mammoth projects as the Trans-Siberian gas pipeline and some of the world's largest processing facilities.

Mannesmann's goal is to build up by 1994 a DM4 billion operational and service network capable of covering 90 percent of the country's inhabitants. That includes the placing of antennae, recruiting and training of more than 3,500 employees and the securing of all the necessary hardware and software.

Telekom's service arm, Deutsche Telepost Consulting GmbH (Detecon), will invest DM150 million in support system networks for D1 from Digital Equipment. It has entered into the INFONET telecommunications supply consortium facilitating data transmission between PCs, and a point-of-sales billing network with IBM in Germany.

The biggest question has yet to be answered: who will be entrusted with the modernizing of East Germany's telephone network, a project estimated to require DM 20 to 30 billion and at least five years to complete. These figures do not take into account the costs of extending the new systems, including D1 and D2, farther east.

Terry Swartzberg

United States / Market Access

As Europe Opens Up, U.S. Companies Move In

American telecommunications companies had a great business year in Western Europe in 1989, with exports of equipment totaling $1.1 billion and a trade surplus of $800 million. But the companies aren't satisfied with that achievement and neither is the U.S. government.

"Improved access to Europe is one of the priorities of the U.S. telecom industry," says Allen Frischkorn, president of the Telecommunications Industry Association, representing U.S. equipment manufacturers who hope to break down regulatory barriers to further sales. Also looking to Europe are service providers, who are excited by industry estimates of a $20 billion market for their goods by 1992.

U.S. reaps $800 million telecom surplus with EC

The Bush administration, which initiated a trade action against the European Community in February 1989 over telecommunications barriers, said last month that the EC had shown that it was moving to dismantle some obstacles. But complicated bargaining lies ahead, both in international trade talks and within the community, before the EC market can be considered truly open, U.S. trade officials say.

"We have made a good deal of progress in our discussions with the community on telecommunications," U.S. Trade Representative Carla Hills told Congress recently. "However, much more remains to be accomplished."

Meanwhile, American companies are vigorously seeking new business opportunities in emerging telecommunications markets, such as cellular telephones, software and cable television, that are already open. The Baby Bells, limited in the services they can provide in the United States, "are pursuing a broad spectrum of opportunities in Europe," says David Wenner, a telecommunications consultant at McKinsey & Company. "These companies have decided they must have an international presence."

According to Mr. Wenner, the Baby Bells are not scorning any involvement in Europe, however small. "With a few exceptions, [they] are experimenting, taking advantage of relatively small opportunities" that form a tiny percentage of their U.S. business, says Mr. Wenner.

One of the exceptions is Pacific Telesis, which joined with European companies to win a multibillion dollar contract last December to build a national cellular network in Germany. Eastern Europe is also attracting the attention of the Baby Bells.

Some of the Bells got a rough start in Europe, trying out activities in a piecemeal fashion before they found a niche. The deals they have concluded in Europe, which usually involve local partners, require a good deal of sensitivity because the Americans are seeking profits while the Europeans are looking for up-to-date technology.

The oldest of the Bells, American Telephone & Telegraph Co., recently concluded an accord with state-owned Italtel S.p.A. of Italy. The two are reportedly planning to sell telecommunications equipment in South and East European countries and in Latin America. The deal was a rebound from AT&T's shut-out in France, where it lost a bid in 1987 to buy the national telephone maker.

AT&T has also bought Istel Ltd, one of Britain's largest players in the electronic messaging market. Although the demand for such services is still small in Europe compared with the United States, it is expected to grow rapidly over the next few years.

Canada's giant, Northern Telecom, has also been active in Europe for several years. In 1973, it started manufacturing equipment in Ireland for the European market, and later began similar operations in France, where it is now constructing a research and development center. Northern Telecom's long-term presence has enabled it to become a leading supplier of PBX systems and other equipment.

An AT&T rival, U.S. Sprint Communications Co., is expanding its European operations. In March it announced a joint venture with the Norwegian company, Elektrisk Bureau, part of the Asea Brown Boveri group, to sell and distribute data communications products and systems in Scandinavia. At that time, Sprint said it was opening London and Amsterdam switching centers for its international network, SprintNet, which connects business computers.

The political, economic and regulatory environment is very favorable for the overseas expansion of telecommunications services, according to Paolo L. Guidi, president of Sprint International. "We are seeing a trend toward demonopolization of telecommunications services, and privatization is also on the rise," he says.

As far as the EC is concerned, U.S. trade officials generally endorse Mr. Guidi's views. In a letter to Congress last month, the administration praised the EC for a number of steps, including the creation of the European Telecommunications Standards Institute, which it said was more open than previous bodies.

U.S. telecommunications service providers were encouraged by the EC's decision last month to oppose a plan by European national telephone authorities to set uniform fees for the leasing of international circuits.

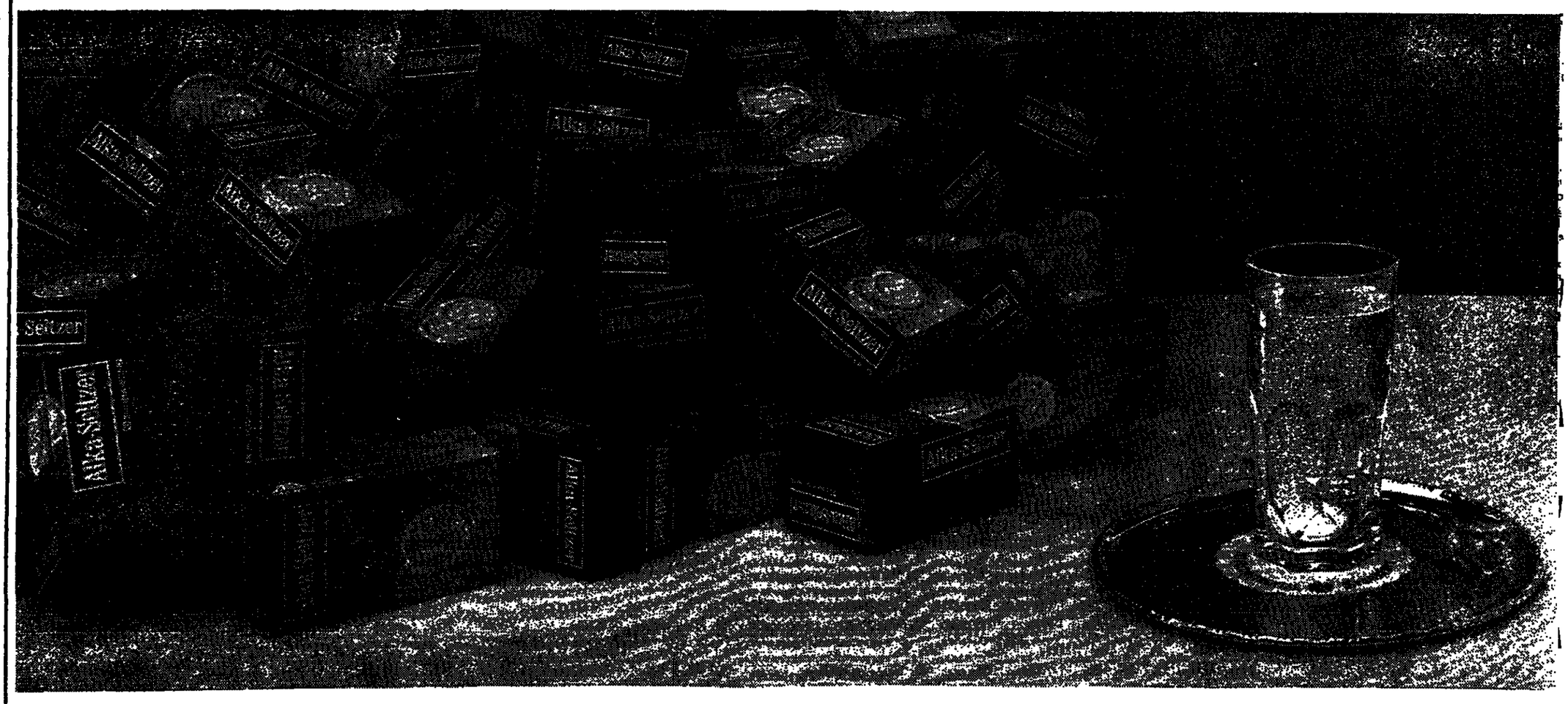
However, one of the most important issues for the U.S. – public procurement of telecommunications equipment – will have to be resolved in the current GATT (General Agreement on Tariffs and Trade) talks. The U.S. objects to the clauses in the EC's procurement directive allowing contractors to reject bids with less than 50 percent European content. But the U.S. is also open to criticism on that score. "We may have to make some concessions in the GATT round, because we have 'Buy America provisions' in U.S. government contracts," says Mr. Frischkorn of the Telecommunications Industry Association.

The U.S. is also tabling a telecommunications annex to its services proposal in the GATT negotiations, which may call for more rapid liberalization than the EC can accept.

The huge 1989 U.S. telecommunications surplus with the EC, almost double that of 1988, was largely due to U.S. exports to Britain, one of the more open European markets. One U.S. trade official admits that the figure "does undermine our arguments [about onerous trade barriers] a bit, but it also proves our point that if Europe liberalized more, we could do more business."

Steve Dryden

Northern Telecom helps make thousands of Alka-Seltzer every day.



When Bayer, the makers of Alka-Seltzer, connected to the Deutsche Bundespost data packet network, they gained access to a data communications system with proven performance and reliability.

The original switching technology was provided by Northern Telecom, which means that the Deutsche Bundespost can offer its customers cost effective services and access to databases throughout the world.

The Intercontinental Hotel in Frankfurt also operates one of our systems.

Only this time, it is a telecommunications system and software package developed exclusively for hotels. It covers their administrative requirements day and night.

It also meets the needs of their guests, from room availability to wake-up calls, even an Alka-Seltzer in the middle of the night.

These are just two examples where Northern Telecom's advanced telecommunications products are helping people in more than 100 countries worldwide.

Can we help you?

We'll even help you get one in the middle of the night.

NORTHERN TELECOM IS ACTIVE IN 24 COUNTRIES THROUGHOUT EUROPE FOR MORE INFORMATION CONTACT NORTHERN TELECOM EUROPE. 44 (0) 753 813000.

northern telecom

TECHNOLOGY THE WORLD CALLS ON.

1992 The World Is Not Enough

Research / Integrated Broadband Communications

The Race to Get Advanced Products to Market First

Imagine a society where information is the biggest industrial sector, and its generation, processing and high-speed distribution provide the enabling mechanism for activities as diverse as health care, shopping and education.

The foundations for this electronic society of the future are presently being created in laboratories, research centers and universities all over Europe. Under the umbrella of the 1.1 billion ECU ($1.2 billion) project RACE (Research and development in Advanced Communications technologies in Europe), over 300 organizations are working toward a mid-1990s goal of a regional communications network thousands of times more powerful than present-day systems.

Along this integrated broadband communications (IBC) network will travel many types of videotelephone traffic, high-speed data to enable robots to design and manufacture goods, split-second color faxes, high-definition television signals, electronic magazines, teleshopping orders and learning programs, as well as simultaneous voice and data.

RACE, however, has a low public profile. One reason is the esoteric nature of its research into areas such as packet data switching and fiber optics. Another is that progress has been steady rather than spectacular.

Not all participants in the EC-backed initiative are convinced of its ultimate significance. "There is a school of thought which says: it's basically free European money, and you should never turn down a handout," says Bill Bauer, marketing manager of STC's telecommunications division. STC and computer subsidiary ICL received a "best of class" award for participation in a RACE project on advanced transmission techniques.

ALCATEL

Laser module for high-speed data transmission.

The starting point for RACE was the realization in the early 1980s that Europe was falling behind in the production and use of information technology goods. Due largely to a fragmented regional market, an overall European trade deficit in the sector of $16 billion was forecast by the early 1990s. Japan and the United States would be the chief beneficiaries.

Regional collaboration on essential, pre-competitive research was considered vital if the European information technology gap was to be closed. Telecommunications, which the EC estimated would influence 60 percent of the information technology market by the year 2000, was specifically addressed by RACE. Other programs looked at software, microelectronics and office automation.

The program was officially adopted by the European Council of Ministers in December 1987. Subject areas range from high capacity mobile communication systems to the transmission of medical records over IBC. Participants include European telecommunications operators, manufacturers, users and research establishments in 17 countries. At the end of 1989, expenditure came to 550 million ECU and more than 2,000 researchers had been hired.

Set against the benefits of pooling development resources is the loss of individual commercial advantage. This has tended to emphasize pure research at the expense of new products, which show up on company balance sheets. "In general, the reservations that we have about RACE are twofold. One is that there is an insufficient focus on meeting actual customers' needs. The second is that there is insufficient emphasis on getting the things which are done under RACE to markets," comments STC's Bauer. Deadlines have not always been kept, partly because the targets set by the EC were deliberately high. "Part of the nature of our activity is to set objectives which are a little bit ambitious," agrees Peter Johnston of the RACE central office. "This seems to push people along faster than they would otherwise go."

A strategic audit of RACE, published by the EC in February 1989, called for a reorientation of the program toward user and market needs. It recommended that local telecommunications, broadcasting and cable television companies cooperate on IBC in future; that an accelerated regional IBC standardization effort be mounted; and that European telephone companies sign a memorandum of understanding on long-distance IBC links as a prelude to an operational system in 1995. "Preliminary IBC services should be available for business users by 1992," the EC stated.

Standardization efforts have gone forward and, in mid-1989, 17 European telecommunications operators signed a memorandum of understanding for the introduction of a European Broadband Interconnection Trial (EBIT).

The most recent EC analysis has recommended establishment of an independent (non-exclusive) European long-distance inter-state telecommunications carrier, initially providing dedicated voice, data and video services for professional users, with its repertoire being extended to a full IBC service as the market develops.

The analysis also suggests establishing a European telecommunications R&D organization, the creation of a single European telecommunications regulatory body, and the initiation of RACE follow-up and awareness programs. "Broadband services could generate carrier revenues in the order of 1 billion ECU by 1995, and 10-billion ECU by the year 2000," argues the analysis.

John Williamson

Briefs / The Countdown Continues

• The development of **Eastern Europe's** infrastructure with the active involvement of U.S. companies has become a top priority for the Bush administration. Addressing the U.S. Senate foreign relations subcommitte on European affairs, Thomas Duesterberg, assistant secretary of commerce, warned that programs in the area that do not build infrastructure for telecommunications, transportation and distribution, "will certainly fail." Although U.S. exports to the region have been small, he urged U.S. companies not to delay their entry into the market. Mr. Duesterberg said that the Eastern European Business Information Center was functioning under the Commerce Department, and would act as a "central clearing house" for information on business needs and opportunities in the region.

• **France Telecom** has chosen a consortium of four companies to set up a pilot network for its Pointel system of portable telephones. The consortium is led by Electronique Serge Dassault (ESD), and includes Electronique Mecelec, Cap-Sesa and Sextant Avionique. ESD will supply 750 base stations in French cities, while a study on a complementary network of 250 stations in corporations and sites open to the public has been ordered from Société Anonyme de Télécommunications (SAT).

• Through its Italian subsidiary, **Alcatel** has been awarded a major contract to supply the Italian telecommunications operator SIP a new packet switching network. The network will cover the entire country by 1991 and will double the number of extensions by 1993 as Italy modernizes its telecommunications network. The final capacity will enable the system to provide services to around 200,000 subscribers, Alcatel said.

Barbara Casassus is a Paris-based free-lance writer.

Steve Dryden is a Washington-based free-lance journalist.

Axel Krause, IHT corporate editor, is supervising the 1992 series.

Michael Rowe is a Paris-based financial and business writer.

Clifford Stevens is a Vienna-based financial and business writer.

Joel Stratte-McClure is a free-lance writer based in France.

Terry Swartzberg is editor-in-chief of Who's Who Edition European Business and Industry.

John Williamson is the U.K.-based editor of Telephony.

The next installment in the 1992 series will appear on May 15 and will focus on the transportation industry.

Too bad the laws of communications aren't engraved in stone.

If they were, every time you had a communications problem, the answer would be simple.

Today, however, communications problems are compounded by ever-changing technologies. To give you the flexibility you need, one information and communications company has committed itself to providing answers that make sense for your particular needs. That company is Bell Atlantic, an experienced communications leader.

For example, when PTT Telecom of the Netherlands modernised their network, we provided a software and systems integration package that forecasted network needs and updated databases.

When the University of Rome wanted to give its students and faculty access to their mainframe computer, they called upon Bell Atlantic's Eurotech to develop a customised network system to meet their goals.

We're Bell Atlantic, serving Europe from over 50 local offices. With Sorbus, a computer and data equipment maintenance company. Eurotech, designers and distributors of value-added data communications systems. Bell Atlantic International, software and systems integration consultants. Bell Atlantic Financial, a high-tech leasing company.

For more information contact us by telefax in France at 01-4809-9539, in Germany at 01-211-5261-102, in Italy at 02-825-4368 and in the United Kingdom at 01-898 5250.

Bell Atlantic

1492
Christopher Columbus discovers America.
500 Years later
1992
The Europeans discover Europe.

NOW. Discover Germany by learning German

PLEASE SEND ME FREE DETAILS OF YOUR LANGUAGE COURSES IN GERMANY

OR IN _____ COUNTRY

NAME _____

ADDRESS _____

GOETHE-INSTITUT

LENBACHPLATZ 3 D-8000 MÜNCHEN 2 TEL 089/5990 200

590

FROM TRAIN CONTROL

International Herald Tribune
BUSINESS/FINANCE
**
THURSDAY, APRIL 19, 1990

TO AIR TRAFFIC CONTROL
In Touch with Tomorrow
TOSHIBA

INTERNATIONAL MANAGER

Mitigating the Hardships Of a Posting in Moscow

By Sherry Buchanan
International Herald Tribune

LONDON — More and more executives these days are receiving what sounds like the ideal high-profile assignment: being the company's representative in Moscow. But they should know that executives already posted there complain about everything from bad plumbing to difficult working conditions, poor accommodations and no guarantee of a job when they return to the home office.

"A lot of very talented executives are stamped as East European experts and have to beg for a job back at headquarters," said Kurt Neubauer, senior vice president of Business International in Vienna. "After being transferred back, many leave their company because they haven't been offered an adequate job."

More money — and cars for spouses — can make the difference.

Siemens AG is one of the few foreign firms that guarantees Moscow-bound executives a promotion when they return. The German electronics group believes that a prenegotiated promotion is a better incentive than more money.

Other companies make up for the difficulties of the assignment by handing out bigger salaries, perks and other benefits usually reserved for hardship posts in developing countries. Among multinational concerns, for example, BASF AG gives its Moscow staff an extra 30 percent of base salary, Hoechst AG pays 30 percent more, Commerzbank AG 50 percent and Rank Xerox GmbH 80 percent.

But often it is a Western car for the spouse that makes the difference between success and failure of the assignment. "Cars for wives are essential," said Peter Schwegmann, head of Siemens representation in Moscow.

On the housing front, Deutsche Bank AG is one of the few foreign firms that has been allowed to build accommodations for its Moscow expatriate staff. It took them seven years to negotiate. Other executives are now no longer guaranteed priority.

"The locals wanted the flats being built for foreigners and, seeing that they are voters now, the Moscow Council gave it to them," said Felix Calonder, director of the Moscow representation of Caterpillar Inc.

ONE NEW STAFFING IDEA is for companies to send refugees, or executives born of refugee parents, to Moscow if they speak the language and are willing to go back to the mother country.

"The only disadvantage of sending refugees back is that they may be reluctant to go back," said Ljubo Sirc, a Yugoslav-born economist. "They may have the sense that there is still some danger lurking somewhere."

"There are a lot of East Europeans in our company," said Eberhard Von Körber, the executive vice president of ABB Asea Brown Boveri Ltd. in Zurich who is responsible for Central and Eastern Europe. "Out of 150,000 people, there are a couple hundred emigrants.

"They are the paratroopers we need to start up joint-ventures and transfer our corporate culture and methods," he said. "When these people moved West they showed a pioneering spirit. So they have an active spirit in their body."

What is the Soviet response to all this moaning and groaning by Western executives who, by Soviet standards, are well paid, well fed and well housed?

"No wonder foreign executives point out the difficulties because the difficulties do exist," said Abel Aganbegyan, rector of the Academy of National Economy of the Council of Ministers in Moscow.

"What is noticeable, is that they are optimistic," he said of the foreign executives. "They are not questioning whether their investment should or should not take place. The question is how to improve the situation. We are more than ready to respond to criticisms."

Slump In East Germany

Exodus Leads to Trade Nosedive

Reuters

BERLIN — East Germany's economy nosedived in the first quarter of 1990, when trade with the Soviet Union — its major business partner — slumped and industrial production tumbled.

In the state's first release of unemployment figures on Wednesday, the number of workers without jobs was given as 38,313. Unemployment was hidden or unheard of before the dramatic political changes of 1989. The industrial work force shrank by 124,000 because of a continued exodus to West Germany.

Official statistics showed industrial output fell by 4.7 percent in the first quarter of this year compared with the same period in 1989.

"The main reason for this development is the declining size of the labor force," Arno Donda, head of the government statistics office, said at a news conference.

The industrial work force fell by 4.4 percent, to 2.8 million, compared with the first three months of 1989. More than 100,000 people have emigrated to the West so far this year and a third of a million did so last year.

Reduced demand for East German products also dented industrial output, as well as material shortages, Mr. Donda said.

Only a third of the country's factories increased production. An undisclosed number of other factories stopped producing altogether for economic or environmental reasons.

The figures showed East German imports from the Soviet Union dropped 13.1 percent and exports 4.6 percent in the first three months of 1990 compared with the same 1989 period.

Overall imports declined by 7 percent in the first quarter of 1990, while exports dropped 7.9 percent.

East Germany's share of its retail trade market dwindled as East Germans switched to Western and other imports.

A New Berlin Wall: Subsidies

Bonn Eyes Cuts, but City Says Need Will Increase

By Ferdinand Protzman
New York Times Service

BERLIN — Faced with the daunting prospect of spending hundreds of billions of dollars to reunite the two Germanys, the West German government is casting about for any savings that could ease the burden.

Many eyes have turned to the huge subsidies the government provides to West Berlin.

Some senior officials in Bonn say the subsidies could be reduced, possibly as soon as next year, and eliminated entirely within a few years.

In their view, establishing a free-market economy in East Germany will benefit the city well before other parts of either country because investments will pour into Berlin from foreign and West German companies, attracted by its location deep in East Germany and West Berlin's modern infrastructure.

But many private and government economists in West Berlin say these savings appear to be years away and unlikely to reduce the price of rapid reunification of East and West Germany.

The main reason, these people say, is that the subsidies will be needed until the surrounding area of East Germany can approach the level of development in West Berlin. Thus, they add, the West German government may have to pump even more money into the Berlin area for a few years, followed by a long period of gradually declining subsidies.

"West Berlin is an island of Western infrastructure surrounded by East Germany," said Hans Heuer, head of the West Berlin section of the German Institute for Economic Research. "If unity comes, the infrastructure of the surrounding area will have to be raised to nearly the same level before the subsidies can be totally removed."

"In the longer term," Mr. Heuer added, "this is likely to happen, but not from today to tomorrow."

Throughout the postwar years, direct aid and tax breaks have been used by West Germany to prop up its biggest city, which has two million people 125 miles (200 kilometers) inside East Germany. Today those subsidies, which include food and fuel and underwriting financial incentives for companies to move to West Berlin, total $13 billion a year.

Most economists and city officials agree that a boom is likely but well down the road. Until it arrives, the subsidies, which account for more than half of the West Berlin city government's annual budget and almost one-third of the economic output, will be necessary.

Wolfgang Brinkschulte, a spokesman for the West Berlin Financial Senator's Office, which controls the city budget, said: "We assume that West Berlin will continue to receive aid from the federal government as long as it needs it. The area around us is in such bad condition that it will take at least a few years to bring it up to our level. Once that is done, then the possibilities for growth are excellent."

The economy will clearly benefit if the federal government moves the capital from Bonn to an undivided Berlin.

"Removing subsidies, moving the capital, these are very politically sensitive issues," said Ulrich Ebel, head of the external relations department of the West Berlin Economic Senate, the city govern-

See BERLIN, Page 19

EC Accuses U.S. Of Protectionist Trade Practices

Compiled by Our Staff From Dispatches

BRUSSELS — As GATT ministers gathered Wednesday for key talks on trade liberalization, the European Community accused the United States of maintaining a web of laws and unfair practices to protect its market from EC firms.

It marked the latest exchange in rhetoric between the world's two largest trading blocs, which have already clashed bitterly in talks on the future of farm subsidies under the auspices of the General Agreement on Tariffs and Trade.

The accusations came in a report that is published by the Commission as a response to America's National Trade Estimate Report on Foreign Trade Barriers among its partners, which was published on March 30. The EC report is the fifth of its kind to be published.

It was made public as GATT trade ministers arrived in Mexico for a two-day informal meeting aimed at breaking the deadlock on farm subsidies.

The report highlighted nearly 50 alleged legal or tariff barriers to the U.S. market.

"Although the United States is in general terms a comparatively open economy, it nevertheless maintains unfair or discriminatory practices and legislative provisions which impede and distort trade, and which undermine the multilateral trade regime itself," it said.

Overall, the Commission said, U.S. practices "raise doubts whether the United States is sufficiently committed to the multilateral system which provides the main reference point for resolving disputes."

Among the EC complaints:

- Unilateral action by the United States under its controversial 1988 Omnibus Trade Act, a law that U.S. trade partners say violates the GATT principle of negotiating solutions to trade conflicts.

"We are especially worried about aspects of the Trade Act that oblige the government to take action," a Commission official said. "For us, this is very dangerous for the whole multilateral system."

- "Buy American" laws in public procurement. Foreign countries can be barred from bidding for U.S. public contracts if their own markets are deemed protectionist, the report said, adding that U.S. suppliers are favored for defense, road building and water projects.
- A growing number of barriers at the state level that discriminate against foreign banks or handicap European firms through taxes or regulation.

"It is becoming clear that one of the major difficulties of selling into the U.S. market is the extent to which the market is heterogeneous and fragmented," the report said.

- Food import quotas and tariffs. The United States is maintaining a 30-year quota on imports of sugar, peanuts, dairy products and cotton, the report said.

The report accused the United States of providing its farmers with subsidies of more than $2.6 billion since 1985 to sell to markets that EC producers are seeking to penetrate. *(AFP, Reuters)*

Brazil Relaxes Hold on Car Industry

By William R. Long
Los Angeles Times Service

RIO DE JANEIRO — President Fernando Collor de Mello has announced measures to help Brazil's automobile industry, nearly paralyzed for the past month by a government austerity program aimed at controlling inflation.

Brazilian subsidiaries of General Motors Corp., Ford Motor Co. and Volkswagen AG put most of their workers on paid leave in late March as a result of the austerity program, which reduced domestic car sales to a trickle.

It succeeded in bringing inflation of more than 80 percent a month down to 0 percent in April.

"The first stage, that of conquering inflation, has been carried out," Mr. Collor said Tuesday. He predicted that in 100 days Brazil will be celebrating "not only the definitive end of inflation but also the decisive and vigorous resumption of our economic growth."

One of the measures he announced will release frozen funds to purchasing "consortiums," which are widely used in Brazil as a form of financing retail sales of automobiles. The other measure grants the auto industry a 30-day grace period for payment of a heavy tax on cars delivered to retailers.

Both measures had been requested by the industry.

"We all are aware of the vital importance of the automobile industry in the economic activity of our country," Mr. Collor said.

On March 16, the day after he took office, Mr. Collor announced anti-inflation measures that included an 18-month freeze on most deposits in savings accounts and financial markets. The freeze took the equivalent of about $80 billion out of circulation, curtailing major purchases by consumers and interrupting the cash flow of businesses.

General Motors and Autolatina SA, a joint venture of Ford and Volkswagen, were forced to borrow funds to meet payrolls. Both shut down production lines.

The austerity program "practically immobilized all the company's resources," an Autolatina press spokesman said.

General Motors put 15,000 of its 23,000 employees on paid leave. Autolatina did the same with 28,000 of its 45,000 employees.

The subsidiary of Fiat SPA, Brazil's other major automobile manufacturer, has put only about 7 percent of its 19,500 employees on leave and has maintained production at levels 70 percent of normal.

Autolatina currently has 6,000 cars in stock, 2,000 Volkswagens and 4,000 Fords. This month, it has sold only 5,000 cars, about a fourth of the normal sales level, an Autolatina spokesman said. General Motors has 5,000 cars in stock and has sold 6,000 since mid-March.

Most consortium deliveries had stopped because their funds were frozen on March 16. The release of those funds will permit car deliveries to customers who began making payments to consortiums before the freeze.

Milken Faces Toughest Decision: To Settle or Not

By Robert J. McCartney
Washington Post Service

NEW YORK — In the mid-1980s, when Michael R. Milken was the world's most powerful financier, decisions he made could mean the difference between instant riches and overnight ruin for businessmen locked in corporate takeover battles.

Now Mr. Milken's own reputation and billion-dollar fortune are at stake as he faces the most difficult decision of his career: whether to make a deal with federal prosecutors to settle longstanding criminal charges alleging that he built his "junk bond" empire through a pattern of market manipulation, insider trading and other financial fraud.

The question confronting Mr. Milken has taken on fresh importance in what already is history's biggest financial crime case. The U.S. attorney in Manhattan is expected to soon file, possibly this week, stiff additional charges.

It is widely assumed that the new indictment, based on a broader array of witnesses, will make a stronger case against Mr. Milken than the original charges filed more than a year ago. If he is interested in settling at all, legal experts say, then he should do so now before the new indictment is issued.

The dilemma over whether to "cop a plea" is intensely personal for Mr. Milken, 43, the former head of high-yield bond trading for the now-defunct securities house Drexel Burnham Lambert Inc. His predicament boils down to an excruciating choice between a pragmatic desire to put the affair behind him at the least possible cost, and an opportunity to bid for vindication in court.

If Mr. Milken makes a deal, he might be able to get a sentence of five years in jail, rather than risk a much longer sentence if he went to trial, attorneys in the field said. A plea bargain also would put him in a much stronger position to keep a significant chunk of his vast fortune. It probably would enable him to arrange for only token punishment of his brother, Lowell, a former senior executive at Drexel who also is charged in the case.

But a guilty plea of any sort would be a heart-wrenching step for a proud man like Mr. Milken, who is described by friends as deeply convinced of his innocence. Driven by a thirst for influence and prestige at least as strong as his desire for money, and represented by some of the nation's top legal talent, Mr. Milken may well prefer to gamble all on a chance to clear his name at a trial.

"He's convinced that he did what he did to bring good to the world," said Robert K. Lifton, a friend who is co-chairman of the Marcade Group apparel company in New York. He added: "With a person like that, you have to weigh a lot of factors other than just the cold calculation of what are the odds" of winning a trial.

While neither the government nor Mr. Milken's lawyers will say so, it is widely assumed that a plea bargain already has been explored that would avoid what surely would be a lengthy, costly, stressful trial.

"It seems that all the lawyers want to settle the case," said an attorney close to the case who asked to remain unidentified. "There doesn't seem to be any strong desire either by the defense or the government to keep it going, but there's no middle ground" for a settlement.

According to experts in financial law who have followed the case, the obstacle to settle-

See MILKEN, Page 21

Merrill Lynch Profit Up 16%

The Associated Press

NEW YORK — Merrill Lynch & Co. reported Wednesday that first-quarter profit rose a 16 percent from the year-earlier period, as cost-cutting efforts began to pay off for the largest brokerage in the United States.

For the first three months of 1990, Merrill Lynch earned $41.3 million, or 34 cents a share, compared with earnings of $35.5 million, or 29 cents per share, last year.

However, revenue fell to $2.66 billion from $2.79 billion in the year-ago quarter.

Promises Fail to Halt Oil Slide

By Youssef M. Ibrahim
New York Times Service

PARIS — An apparent promise by Kuwait and the United Arab Emirates to tone down their oil production is unlikely to reverse the recent decline in oil prices, oil industry analysts said Wednesday.

Senior officials of the Organization of Petroleum Exporting Countries said that Kuwait and the United Arab Emirates, while apparently offering to curb excess production, would at the same time seek an increase in their official OPEC production quotas.

The promise by the two countries to reduce their current output, now running well above their quotas, was made at a late Tuesday night meeting in Jeddah, Saudi Arabia, according to OPEC officials. The aim was to arrest a price fall that has rocked oil markets for more than two weeks.

But the move has failed to impress world oil markets and prices fell again Wednesday. The situation may push the cartel to hold an emergency meeting soon, some OPEC officials said.

Many oil analysts said the instability, which brought oil prices down about $3 a barrel this month, is likely to continue for the rest of this quarter until seasonal demand returns in August.

Prices plummeted on Wednesday. On the New York Mercentile Exchange, the benchmark West Texas Intermediate for May delivery plunged 51 cents, to close at $16.93 a barrel. On the European spot market, Britain's widely traded North Sea Brent fell 49 cents to $15.47 a barrel.

The Jeddah meeting was held between the oil ministers of Saudi Arabia, Kuwait and the United Arab Emirates, partly in an attempt to head off pressure for an emergency OPEC gathering.

The Saudis, Kuwaitis and the United Arab Emirates are anxious to avoid such a meeting, where they are likely to be criticized for their excessive current oil production.

The three countries issued a statement urging "OPEC members to commit themselves to respect the production ceiling and the individual production quotas set out for the members".

Mehdi Verzi, senior oil analyst at London's Kleinwort Benson Securities PLC, said, "In the long run, Kuwait and the United Arab Emirates will have to get a bigger share of the OPEC pie before they lend

See OIL, Page 19

Hyundai in Soviet Chemical Project

Reuters

SEOUL — The Hyundai Group of South Korea will participate in the construction of a $2 billion petrochemical complex in the Soviet Union, Hyundai officials said Wednesday.

Combustion Engineering Inc. of the United States is leading the project, which was initially announced last year.

Chung Ju-yung, Hyundai's founder and honorary chairman, signed a contract worth $600 million earlier this week to take part in the project in northwestern Siberia, the officials said. It will be the biggest Soviet project to date for any South Korean firm.

Construction of the Siberian complex will start in June or July, and is due to be completed by the end of 1992.

The plant will process chemicals used to make consumer products, largely automotive and medical items, for both Soviet and foreign markets.

Mr. Chung, who is spearheading Seoul's drive to develop business contacts in the Soviet Union, returned home on Tuesday from a 10-day visit to the Soviet Union to discuss boosting economic ties between Seoul and Moscow. He told reporters a group of Soviet government officials planned to visit Seoul next month to discuss setting up joint ventures with South Korean companies.

Hyundai Corp. last year signed an accord to form a joint venture with Soviet forest authorities to develop 990,000 hectares (2.45 million acres) of Siberian timberland. The 30-year agreement covers logging and wood processing.

South Korea and the Soviet Union have no official ties, but since the 1988 Seoul Olympics they have built up considerable nonpolitical links, including trade, academic and sporting exchanges.

Bilateral trade was worth about $600 million last year, up from $290 million in 1988. Government officials predict the amount will double this year to 1.2 billion.

"The Soviet Union is becoming our nation's new frontier," said Cho Choong-keun, secretary-general of the private Korea-Soviet Union Economic Association.

"Despite political and economic risks in the Soviet Union like a chronic shortage of foreign currency, some big companies here are ready to boost business ties with that country," Mr. Cho said.

He said Seoul and Moscow were currently holding negotiations over 100 trading and manufacturing projects, involving ships, electronic and other industrial plants.

"We hope the Soviet Union will become our valuable market," a trade ministry official said. "Increasing business with such a big country will help our efforts to broaden and diversify our global trade."

CURRENCY RATES

Cross Rates

April 18

	$	£	D.M.	F.F.	H.L.	Gldr.	B.F.	S.F.	Yen
Amsterdam	1.892	3.093	1.126	0.3351	0.1534 *	—	5.44 *	1.2683	1.1842 *
Brussels(a)	34.7875	56.885	20.702	6.1595	2.8182 *	18.3865	—	23.316	0.2178
Frankfurt	1.6802	2.746	—	0.2976	0.1362 *	0.8882	4.83 *	1.1261	1.052 *
London (b)	1.637	—	2.7373	9.213	2,010.00	3.0813	56.715	2.426	260.395
Milan	1,234.40	2,017.55	734.55	218.56	—	652.42	35.488	827.34	7.725
New York(c)	—	1.639 b	1.6728	5.6215	1,228.50	1.883	34.635	1.4785	158.15
Paris	5.6465	9.2335	3.3606	—	0.4576 *	2.9844	0.1624	3.784	3.5355 *
Tokyo	160.15	262.25	95.38	28.40	0.1299	84.69	4.6153	107.41	—
Zurich	1.4853	2.4309	0.8876	0.2642	0.1206 *	0.7884	4.28 *	—	0.9337 *
ECU	1.2164	0.744	2.0433	6.8664	1,508.99	2.3008	42.299	1.8142	194.253
SDR	1.3014	0.7961	2.1866	7.3483	1,606.47	2.4622	45.2721	1.9417	208.353

Closings in London and Zurich, fixings in other centers. New York closing rates.
a: Commercial franc; b: To buy one pound; c: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	5820.1	Fin. markka	3.986	Mex. peso	2788.62	S. Afr. rand	2.655
Austral. $	1.308	Greek drac.	162.80	N. Zealand $	1.7271	Soviet ruble*	0.606
Austr. schil.	11.82	Hong Kong $	7.7945	Norw. krone	6.542	Span. peseta	106.75
Brazil cruz.	47.88	Indian rupee	17.391	Phil. peso	22.35	Swed. krona	6.113
Canadian $	1.1642	Indo. rupiah	1811.00	Port. escudo	148.90	Taiwan $	26.35
Chinese yuan*	4.72	Irish £	0.6262	Saudi riyal	3.74	Thai baht	25.89
Danish krone	6.4095	Israeli shek.	1.96	Sing. $	1.878	Turkish lira	2472.19
Egypt. pound	2.6433	Kuwaiti dinar	0.29	S. Kor. won	707.20	UAE dirham	3.64
		Malay. ring.	2.7223			Venez. boliv.	42.00

*: New York rates unless marked * (local rate.)

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6267	1.6182	1.6098	Canadian dollar	1.1688	1.1736	1.1784
Japanese yen	159.50	159.35	159.25	Swiss franc	1.4895	1.4887	1.4879
Deutsche mark	1.6775	1.6770	1.6769				

Sources: Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); Gosbank (ruble). Other data from Reuters and AP.

INTEREST RATES

Eurocurrency Deposits

April 18

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU	SDR
1 month	8¼-8⅜	7¾-8	9 ¾-9 ⅞	14 ⅞-15 ⅛	9⅝-9⅞	7 ¾-7 ⅞	10¼-10⅜	8 ⅝
2 months	8 ⅜-8 ½	8-8⅛	9⅝-9¾	14 ⅞-15 ⅛	9⅝-9⅞	7⅛-7⅜	10 ⅜-10 ½	8⅞
3 months	8⅜-8½	8⅛-8¼	9⅝-9⅞	15⅛-15⅜	9 ⅞-9 ⅞	7 ⅛-7 ⅜	10⅜-10½	8 ⅞
6 months	8½-8⅝	8⅛-8⅜	9⅝-9⅞	15 ⅛-15 ⅜	9 ⅞-10 ⅛	7½-7⅝	10⅜-10⅝	9 ⅛
1 year	8 ⅝-8 ¾	8 ⅜-8 ½	9⅝-9⅞	15 ⅛-15 ⅜	10 ⅛-10 ⅜	7⅝-7⅞	10⅝-11	9⅛

Sources: All Reuters except ECU: Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

April 18

	Close	Prev.
United States		
Discount rate	7.00	7.00
Prime rate	10.00	10.00
Federal funds	8.40	8.22
Comm. paper 90-179 days	8.11	8⅛
3-month Treasury bills	7.81	7.74
6-month Treasury bills	7.86	7.78
1-year Treasury bills	7.87	7¾
30-year Treasury bond	96 12/32	97 18/32
3-month CD's	8.30	7.85
6-month CD's	8.34	7.85
Japan		
Discount rate	5¼	5¼
Call money	7 1/16	7.00
3-month interbank	7¾	7 5/16
6-month interbank	7⅝	7 11/16
West Germany		
Discount rate	6.00	6.00
Lombard rate	8.00	8.00
Call money	7.90	7.90
1-month interbank	7.90	7.90
3-month interbank	8⅛	8⅛
6-month interbank	8.45	8.48
Britain		
Bank base rate	15.00	15.00
Call money	14 15/16	15.00
3-month interbank	15 3/16	15⅛
6-month interbank	15½	15 9/16
France		
Intervention rate	9¼	9¼
Call money	9 15/16	10 1/16
1-month interbank	9⅞	9 13/16
3-month interbank	9 15/16	9 15/16
6-month interbank	10.00	10.00

Sources: Reuters, Salomon Brothers, Bank of Tokyo, Commerzbank, Crédit Lyonnais.

Asian Dollar Deposits

April 18

1 month	8 ¼ - 8 ⅜
2 months	8⅜ - 8½
3 months	8⅜ - 8½
6 months	8½ - 8⅝
1 year	8 ⅝ - 8 ¾

Source: Reuters.

U.S. Money Market Funds

April 18

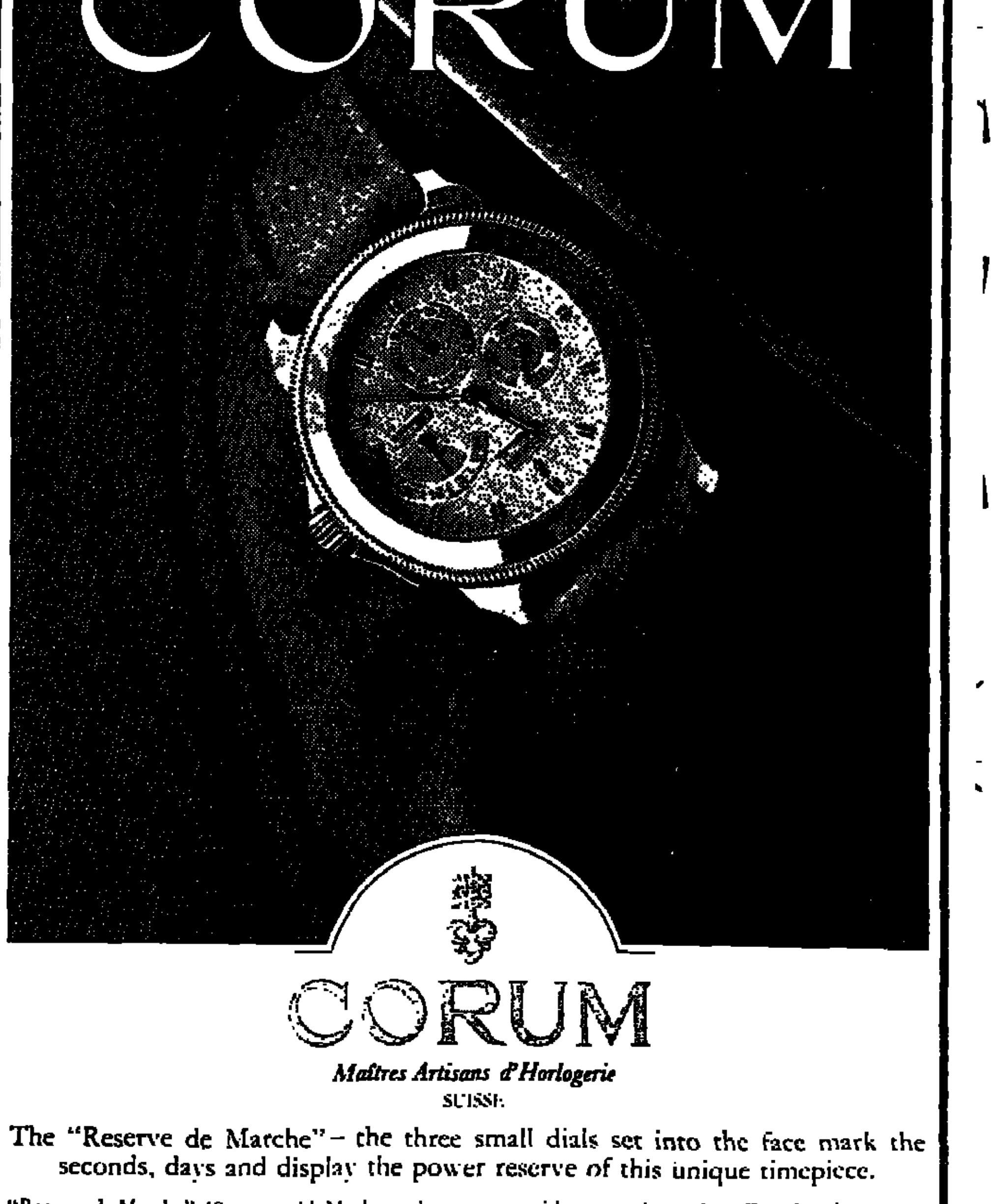
Merrill Lynch Ready Assets
30-day average yield: 7.76
Telerate Interest Rate Index: 8.295
Source: Merrill Lynch, Telerate.

GOLD

April 18

	A.M.	P.M.	Ch'ge
Hong Kong	374.25	375.25	+ 0.90
Luxembourg	374.75	—	+ 0.60
Paris (12.5 kilo)	376.35	376.22	+ 0.71
Zurich	375.15	375.05	+ 0.80
London	374.70	374.75	+ 0.75
New York	—	376.35	+ 1.10

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.
Source: Reuters.



2784

MARKET DIARY

U.S. / AT THE CLOSE

Stocks Fall Sharply On Bond Plunge

United Press International

NEW YORK — Stocks closed sharply lower Wednesday in moderate trading on the New York Stock Exchange, as plunging bond prices sent the blue-chip index to its biggest loss in almost two months.

The Dow Jones industrial average, which rose 2.71 points Tuesday, slumped 32.89 to close at 2,732.88. It was the steepest decline since a 38.74-point drop Feb. 20.

The New York Stock Exchange composite index fell 1.98 to 186.93 and Standard & Poor's 500-stock index fell 3.96 to 340.72.

Declines pounded advances by more than a 2-to-1 margin. Volume rose to 147.1 million shares from 127.9 million shares.

The market opened higher after news that the U.S. trade deficit plunged by 30.4 percent in February to $6.49 billion, the lowest level since Dec. 1983.

But it retreated once bond prices began to plunge for a second day in a row, sending yields up sharply.

"We're getting to critical support levels for bonds and if we break through them we're looking at higher rates," said Dale Tills, manager of institutional equity trading at Charles Schwab & Co.

Treasury bonds were down 1 6/32 to 96 ⅜ to yield 8.84 percent, a high for the year.

Philip Morris was the most active issue, off ⅛ to 42⅝, after reporting first-quarter earnings above expectations.

■ Tokyo Stocks Rise

Japanese share prices surged suddenly Wednesday in nervous trading ahead of the release of February U.S. trade data, Reuters reported from Tokyo.

The key 225-share Nikkei index jumped 787.46 points, or 2.77 percent, to close at 29,249.06.

Dollar Ends Weaker On U.S. Trade Data

Compiled by Our Staff From Dispatches

NEW YORK — The dollar fell slightly against most major currencies Wednesday, despite the announcement that the U.S. trade deficit declined in February to its lowest level in six years.

The New York trading day was also dominated by rumors that the Japanese had been selling dollar-denominated assets.

The announcement of a 30 percent drop in the February trade deficit, to $6.49 billion from January's $9.32 billion, failed to shelter the dollar from profit-taking, according to one currency dealer with Citibank.

"The numbers were certainly strong," said J. Thomas Stanley, manager of corporate foreign exchange for Chemical New York Capital Markets Group. "But people expected stronger numbers." He said that the dollar had firmed prior to the trade report but fell back after its release.

The dollar closed at 1.6728 Deutsche marks, down from 1.6768 DM on Tuesday, and dropped to 158.15 yen from 159.72 yen. The U.S. unit also fell to 1.4785 Swiss francs from 1.4897 francs, and to 5.6215 French francs from 5.637 francs.

The British pound also was stronger against the dollar. It rose to $1.6390 from $1.6375.

In earlier European trading, the dollar also declined following the release of the U.S. trade figures.

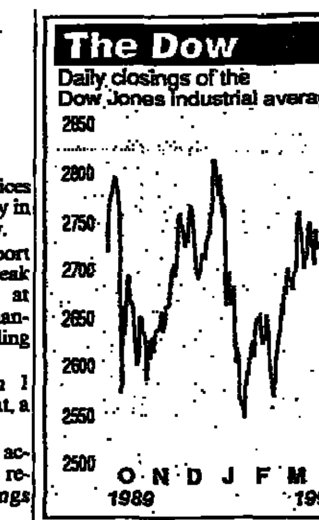
"A lot of the market had heard the rumors of hugely improved trade figures and set themselves up with that" in mind, said David Brown, senior spot foreign exchange dealer for the Royal Bank of Scotland.

The U.S. currency closed in London at 1.6715 DM, down from 1.6798 DM, and fell to 159.08 yen from 159.95 yen. It also dipped to 1.4823 Swiss francs from 1.4923 francs, and to 5.6191 French francs from 5.6468 francs.

The dollar also lost ground against the British pound, which traded at $1.6370, up from $1.6295.

(AFP, Reuters, AP)

Via Associated Press — April 18



NYSE Diary

	Close	Prev.
Advanced	474	662
Declined	1053	844
Unchanged	479	499
Total Issues	2006	2005
New Highs	17	20
New Lows	62	51

Amex Diary

	Close	Prev.
Advanced	281	228
Declined	282	329
Unchanged	246	256
Total Issues	819	823
New Highs	9	18
New Lows	29	23

NASDAQ Diary

	Close	Prev.
Advanced	787	855
Declined	1,119	1,039
Unchanged	n.a.	2,420
Total Issues	n.a.	4,314

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
PhilMr s	23528	43½	42½	42⅝	— ⅛
Pacific s	20049	21⅞	21	21⅛	— ⅜
Tandem	19750	24⅝	23⅞	24⅛	+1⅛
GnMotr	15688	46¼	45⅛	45⅝	
IBM	15305	110⅛	109½	109⅞	—1⅛
Chase	14537	28	27¼	27¼	— ½
GenEl	13590	67⅛	66	66⅛	— ½
HorBrJ	12802	3⅛	3	3⅛	+ ⅛
Unitel s	12409	39⅝	39⅛	39⅛	— ⅜
Citicorp	12264	24½	23⅞	23⅞	— ⅜
FordM	12117	48⅛	46⅞	48	+ ⅞
AmExp	12024	29⅛	28½	28⅝	— ⅜
AT&T	12006	42⅛	41	41	—1
NorTel	11929	25⅛	23⅛	23⅝	—1½
AEIPw	11545	30	29⅞	29⅞	

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
PW Nk cwII	7937	4⅝	4¼	4⅜	
PW Nk pwII	5065	3¼	2⅞	3¼	
SNk 93cwt	12125	4	3⅝	4	+ ¼
ENSCO	7632	4⅞	4⅝	4⅝	— ⅛
BAT In	7494	11⅞	11⅛	11⅞	
SNk 93wt	6834	10	9½	9½	—1⅜
TexAir	4971	6⅝	5⅞	6⅛	
Hllhav n	4783	1¼	1	1⅛	+ ⅛
DataPd	4742	9⅛	9⅛	9⅜	+ ⅛
SFT 93pwt	4055	5	4⅞	5	+ ⅛
FruitL	4032	13⅛	13½	13⅛	+ ⅛
EchoBy	3951	15½	14⅞	15½	+ ¼
Dk Nk wt	3396	11⅛	10⅝	10¾	—⅛
JanBell	3288	8⅛	8⅛	8⅛	— ⅛
SNk 93wt	3024	10⅞	10½	10½	—1⅛

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	2772.30	2773.48	2722.75	2732.88	— 32.89
Trans	1185.63	1189.72	1167.32	1172.12	— 13.51
Util	214.35	215.23	210.89	211.96	— 1.76
Comp	1025.75	1028.13	1008.43	1012.51	— 11.43

Standard & Poor's Indexes

	High	Low	Close	Ch'ge
Industrials	401.02	395.08	395.81	— 4.48
Transp.	277.48	273.47	274.35	— 3.03
Utilities	143.95	141.40	141.72	— 1.86
Finance	28.44	28.00	28.06	— 0.34
SP 500	345.33	340.11	340.72	— 3.96
SP 100	326.73	321.83	322.47	— 3.76

NYSE Indexes

	High	Low	Close	Ch'ge
Composite	188.85	186.93	186.93	— 1.98
Industrials	230.66	228.43	228.43	— 2.29
Transp.	175.73	173.22	173.22	— 2.70
Utilities	93.56	92.38	92.38	— 1.15
Finance	141.59	140.29	140.29	— 1.49

NASDAQ Indexes

	Close	Ch'ge	Week Ago	Month Ago
Composite	431.52	— 3.90	433.53	439.30
Industrials	450.45	— 4.27	452.58	454.35
Finance	453.63	— 2.09	453.97	471.51
Insurance	493.15	— 7.89	497.44	504.40
Utilities	605.91	— 7.10	611.51	615.12
Banks	352.07	— 1.56	353.76	380.03
Transp.	462.27	— 3.94	465.02	480.03

AMEX Stock Index

High	Low	Close	Ch'ge
354.95	352.68	353.22	—1.50

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	89.91	—0.28
Utilities	91.08	—0.12
Industrials	88.75	—0.43

Market Sales

NYSE 4 p.m. volume	147,292,000
NYSE prev. cons. close	173,441,160
Amex 4 p.m. volume	18,270,000
Amex prev. cons. close	13,510,000
NASDAQ 4 p.m. volume	149,749,900
NASDAQ prev. 4 p.m. volume	136,453,200
NYSE volume up	31,292,000
NYSE volume down	99,027,000
Amex volume up	8,234,000
Amex volume down	7,060,000
NASDAQ volume up	n.a.
NASDAQ volume down	n.a.

N.Y.S.E. Odd-Lot Trading

	Buy	Sales	*Sh'rt
Apr. 17	348,196	488,815	10,861
Apr. 16	379,933	579,690	14,158
Apr. 12	338,262	457,018	4,193
Apr. 11	326,793	430,328	10,595
Apr. 10	365,194	437,878	3,965

*Included in the sales figures

Dividends

Company	Per	Amt	Pay	Rec
USUAL				
Am Cap Mngt Rsch	Q	.15	5-25	4-30
Amer Cyanamid	Q	.33¾	6-29	5-30
Arco Chemical	Q	.62½	6-15	-4
Banc One Corp	Q	.26	6-30	4-15
Battle Mountain Gold	Q	.02½	5-18	5-3
CSX Corp	Q	.35	6-15	5-25
Dana Corp	Q	.40	6-15	6-1
Genuine Parts	Q	.34½	7-1	6-12
Honeywell Inc	Q	.68¾	6-11	5-25
Mellon Bank Corp	Q	.35	5-15	4-30
Old Kent Financial	Q	.26½	6-15	5-18
Planters Corp	Q	.14½	6-15	5-31
Pope & Talbot	Q	.18	5-15	4-30
Pub Service NC	Q	.27½	7-16	6-11
Scott Paper Co	Q	.20	6-10	5-25
So Indiana G&E	Q	.47½	6-20	5-18
Willamette Indust	Q	.40	6-14	5-28

a-annual; m-monthly; q-quarterly; s-semi-annual

Source: UPI.

Currency Options

April 18

PHILADELPHIA EXCHANGE

Option & Underlying	Strike Price	Calls-Last Apr	May	Jun	Puts-Last Apr	May	Jun
50,000 Australian Dollars-cents per unit.							
Dollr	70	s	r	r	s	r	0.05
74.97	73	s	r	r	s	r	0.20
74.97	76	s	1.00	r	s	0.40	1.06
74.97	77	s	0.55	r	s	0.85	r
74.97	78	s	r	0.42	s	r	r
74.97	79	s	r	0.22	s	r	
31,250 British Pounds-cents per unit.							
Pound	150	s	r	r	s	r	0.18
163.89	160	s	r	r	s	0.60	1.64
163.89	162½	s	r	r	s	r	2.80
163.89	165	s	0.80	1.45	s	r	r
163.89	170	s	r	0.49	s	r	
50,000 Canadian Dollars-cents per unit.							
Dollr	82	s	r	r	s	r	0.08
86.00	84	s	r	r	s	r	0.27
86.00	84½	s	r	r	s	r	0.40
86.00	85	s	r	r	s	r	0.40
86.00	85½	s	0.68	r	s	0.34	0.80
86.00	86	s	r	0.46	s	r	r
86.00	86½	s	0.16	r	s	r	r
86.00	87	s	r	0.20	s	r	
62,500 West German Marks-cents per unit.							
Mark	56	s	r	r	s	0.02	0.11
59.84	58	s	r	r	s	r	0.31
59.84	58½	s	r	r	s	0.15	r
59.84	59	s	1.04	1.36	s	0.24	0.56
59.84	59½	s	r	r	s	0.44	r
59.84	60	s	0.48	0.87	s	0.42	1.02
59.84	60½	s	0.31	r	s	r	r
59.84	61	s	0.22	0.50	s	r	r
59.84	61½	s	0.11	s	s	r	
59.84	62	s	r	0.27	s	r	r
62,500 West German Marks-European Style.							
59.84	60	s	r	0.90	s	r	
6.25 mil Yen-100ths of a cent per unit.							
Yen	61	s	r	r	s	0.13	0.35
63.05	61½	s	r	r	s	r	0.52
63.05	62	s	r	r	s	0.31	0.73
63.05	62½	s	r	r	s	0.42	r
63.05	63	s	0.63	1.11	s	0.70	1.02
63.05	63½	s	0.50	0.90	s	1.01	r
63.05	64	s	0.34	0.70	s	1.38	1.44
63.05	64½	s	0.23	0.52	s	r	r
63.05	65	s	0.13	0.40	s	r	r
63.05	66	s	0.09	r	s	r	r
63.05	66½	s	0.07	r	s	r	
62,500 Swiss Francs-cents per unit.							
Franc	63	s	r	r	s	0.02	r
67.59	64	s	r	3.57	s	0.03	r
67.59	66	s	r	r	s	r	0.55
67.59	67	s	r	r	s	r	0.88
67.59	68	s	0.76	r	s	r	r
67.59	69	s	0.18	r	s	r	r
67.59	69½	s	0.10	r	s	r	r
67.59	70	s	r	0.29	s	r	
67.59	71	s	r	0.14	s	r	

Total call vol. 24,535 — 244,487
Total put vol. 19,363 — 288,494
r—Not traded. s—No option offered.
Last is premium (purchase price).

S&P 100 Index Options

April 18

Strike Price	Calls-Last Apr	May	Jun	Jly	Puts-Last Apr	May	Jun	Jly
280	—	44⅝	—	—	⅛	⅛	—	—
285	—	—	—	—	⅛	⅛	—	—
290	—	25½	30⅞	—	⅛	⅝	2¼	—
295	—	30	32	—	⅛	1⅜	3⅜	—
300	22	24⅛	28	—	⅛	1⅞	3⅞	—
305	18½	27⅝	—	—	⅛	2⅝	4	—
310	13⅝	14	19½	—	⅛	3	5⅛	—
315	8⅝	12	15½	—	⅛	4	6⅝	—
320	4⅛	8⅝	12⅝	—	1⅛	5½	8¼	—
325	1⅛	5⅜	8¼	—	3⅝	7½	10⅜	—
330	⅛	3⅛	6½	—	7⅞	10	13⅛	—
335	⅛	1⅝	4⅞	—	12⅝	13⅛	15⅜	—
340	⅛	⅛	2⅞	—	—	18	19	—
345	⅛	⅛	1⅞	—	—	—	—	—

Calls: total volume 162,895; total open int. 434,398
Puts: total volume 209,885; total open int. 592,688
S&P 100 index: High 326.73 low 321.83 close 322.47 —3.76
Source: CBOE.

DM Futures Options

Strike Price	Calls-Settle Jun	Sep	May	Puts-Settle Jun	Sep	May
125,000 marks, cents per mark						
58	2.19	2.71	2.80	0.26	0.82	0.05
59	1.44	2.09	1.18	0.51	1.18	0.15
60	0.87	1.56	0.45	0.92	1.62	0.50
61	0.49	1.15	0.15	1.53	2.19	—
62	0.26	0.82	0.05	2.29	—	—
63	0.13	0.59	0.01			

Est. total vol.: 22,854
Calls: Tue. vol.: 3,246; open int.: 45,879
Puts: Tue. vol.: 2,225; open int.: 44,034
Source: CME.

European Commodities

April 18

	Close Bid	Ask	High	Low	Previous Bid	Ask
LONDON SUGAR — U.S. Dollars per metric ton						
May	341.00	341.20	343.00	336.40	331.40	331.60
Aug	348.80	348.80	351.00	341.00	341.40	341.80
Oct	342.00	342.40	344.40	332.20	333.20	333.40
Dec	312.00	336.60	320.00	320.00	315.00	321.80
Mar	316.60	317.00	317.20	311.20	311.40	311.60
May	314.00	315.20	310.00	310.00	309.00	309.40
Aug	315.00	315.80	N.T.	N.T.	309.00	309.40
Volume: 6,477 lots of 50 tons.						
LONDON COCOA — Sterling per metric ton						
May	850	852	852	820	849	850
Jul	868	869	870	835	862	864
Sep	885	887	888	854	875	876
Dec	904	905	905	874	892	893
Mar	921	922	923	894	909	911
May	934	935	935	913	921	922
Jul	947	950	946	925	957	N.T.
Volume: 9,415 lots of 10 tons.						
LONDON COFFEE — Sterling per metric ton						
May	685	687	706	685	714	715
Jul	686	688	705	687	711	712
Sep	698	699	715	697	720	722
Nov	711	713	726	715	736	738
Jan	722	723	745	722	748	750
Mar	735	739	758	744	759	763
May	745	757	761	758	770	780
Volume: 3,136 lots of 5 tons.						
LONDON GASOIL — U.S. dollars per metric ton						
May	153.50	153.75	156.00	153.00	154.00	155.00
Jun	148.25	148.50	151.50	148.00	150.75	151.25
Jul	148.75	149.00	151.50	148.00	151.75	152.00
Aug	150.50	151.00	152.75	150.50	153.75	154.25
Sep	152.75	153.00	156.00	153.00	155.50	156.50
Oct	154.00	154.75	158.00	154.75	157.75	158.75
Nov	155.00	N.Q.	157.75	156.00	158.00	157.00
Dec	156.00	N.Q.	159.00	155.50	160.00	161.00
Jan	154.00	157.25	158.00	157.00	N.T.	162.50
Volume: 6,625 lots of 100 tons.						

PARIS SUGAR — French francs per metric ton	High	Low	Close Bid	Ask	Ch'ge
Aug	2,481	2,445	2,480	2,482	+30
Oct	2,315	2,300	2,320	2,334	+22
Dec	N.T.	N.T.	2,225	2,260	Unch.
Mar	N.T.	N.T.	2,220	2,255	+6
May	N.T.	N.T.	2,220	2,245	+8

Est. vol.: 770 lots of 50 tons. Previous : 282 lots
Open interest : 16,291 lots

Sources: Paris Bourse du Commerce, London Petroleum Exchange, Reuters.

Spot Commodities

Commodity	Today	Prev.
Aluminum, lb	0.71	0.70
Coffee, lb	0.84	0.84
Copper electrolytic, lb	1.315	1.313
Iron FOB, ton	213.00	213.00
Lead, lb	0.50	0.50
Silver, troy oz	5.095	5.07
Steel (billets), ton	3.9283	473.00
Steel (scrap), ton	101.00	101.00
Tin, lb	3.9116	3.9114
Zinc, lb	0.83	0.83

London Metals

	Close Bid	Ask	Previous Bid	Ask
ALUMINUM (High Grade) — Sterling per metric ton				
Spot	1507.00	1510.00	1474.00	1479.00
Forward	1523.00	1524.00	1492.00	1495.00
COPPER CATHODES (High Grade) — Sterling per metric ton				
Spot	1650.00	1655.00	1643.00	1648.00
Forward	1546.00	1547.00	1550.00	1551.00
LEAD — Sterling per metric ton				
Spot	515.00	517.00	486.00	487.00
Forward	500.00	502.00	483.00	484.00
NICKEL — Dollars per metric ton				
Spot	8600.00	8650.00	8650.00	8700.00
Forward	8420.00	8450.00	8450.00	8460.00
TIN — Dollars per metric ton				
Spot	6530.00	6540.00	6480.00	6500.00
Forward	6630.00	6640.00	6580.00	6600.00
ZINC (Special High Grade) — Dollars per metric ton				
Spot	1630.00	1640.00	1637.00	1642.00
Forward	1590.00	1595.00	1583.00	1585.00

London Dollar Rates

Closing	Wed.	Tue.
Deutsche mark	1.6715	1.6798
Pound sterling	1.6370	1.6295
Japanese yen	159.08	159.95
Swiss franc	1.4823	1.4923
French franc	5.6191	5.6468

Source : Reuters.

Philip Morris Earnings Rise 31%

NEW YORK (AP) — Philip Morris Cos. said Wednesday that its first-quarter earnings rose 31.4 percent, as all of its businesses reported volume and revenue gains.

The food and tobacco company said it had earned $775 million in the quarter, up from $590 million. Revenue rose 7.3 percent, to $11.39 billion.

The company also said that since January, it had repurchased 5.7 million shares of its common stock as part of a repurchase plan, at a cost of $221 million.

AT&T Profit Up 12%, Stock Falls

NEW YORK (AP) — American Telephone & Telegraph Co. said Wednesday that its first-quarter profit rose 12.5 percent, helped by improved long-distance revenue and higher equipment sales.

AT&T said it earned $668 million, or 62 cents a share, compared with $594 million, or 55 cents a share, in the first three months of 1989. Revenue totaled $8.89 billion, up 2.7 percent from $8.66 billion. Operating income increased 21 percent, while costs and expenses were about flat compared with the same quarter last year.

But the profit increase was below Wall Street estimates of 64 to 66 cents a share, and AT&T's stock fell $1 to close at $41.

Coca-Cola Has Strong First Quarter

ATLANTA (Reuters) — Coca-Cola Co. said Wednesday that net income rose 9.1 percent in the first quarter, to $283.5 million, while revenue rose 12.4 percent, to $2.15 billion.

But its first-quarter profit rose 15.3 percent, to 83 cents a share from 72 cents last year, based on a 9 percent increase in gallon sales abroad and a 2 percent increase in the United States.

The company said it bought back about 3.5 million common shares during the first three months of 1990.

American General Rejects Torchmark

HOUSTON (Reuters) — American General Corp. said Wednesday it would consider any serious proposal for the company, but urged its stockholders to support its nominees to the board of directors and reject those of Torchmark Corp.

In a letter to shareholders, American General's chairman, Harold S. Hook, said: "We view Torchmark's proxy fight as part and parcel of its attempt to acquire control of American General, an attempt which began with a proposal Torchmark made and withdrew late last month."

Chemical Bank Seeks to Sell Units

NEW YORK (Reuters) — Chemical Banking Corp. said Wednesday it is exploring the possibility of selling its domestic and British-based institutional fund management businesses of Chemical Investment Group.

Chemical Banking said Berkshire Capital Corp. will assist in the sale of corporate and institutional equity and fixed-income asset management capabilities based in Chicago, New York and London. They have $5 billion in assets under management. Chemical Trust & Banking Co. in Japan and the Chemical Investment Group unit in Frankfurt will not be included.

For the Record

Merck & Co. said Wednesday its new product mix helped first-quarter sales rise 12.1 percent, to $1.76 billion, from $1.57 billion a year ago. *Earnings per share were reported at $1.03, up from 86 cents.* *(Reuters)*

United Technologies Corp., citing strong performances by its Pratt & Whitney engines and Otis elevator operations, said Wednesday its first-quarter earnings rose 8.7 percent, to $134.5 million. Revenue rose 6.7 percent, to $4.8 billion. *(AP)*

Dean Witter Reynolds, a subsidiary of Sears, Roebuck & Co., has banned its brokers from dual trading in commodity and financial futures on all U.S. exchanges, effective April 1, sources close to the company said Wednesday. *(Reuters)*

TRADE: *U.S. Deficit for February Shrinks to Lowest Level in 6 Years*

(Continued from Page 1)

value in February to $38.12 billion. The most important single component of the $3.14 decrease was a decline of $1.11 billion in oil imports, largely due to the weather. Importers restocked heavily in January after the December cold snap; February's shipments slowed down.

Tony Vilamill, the Commerce Department's chief economist, forecast a trade deficit for 1990 of slightly below $100 billion if the present trend continues. That would compare with a deficit last year of $109 billion.

He also said that the figures indicated a moderate growth rate for the U.S. economy of about 2 percent for the first quarter of 1990, which is close to the Fed's range.

Mr. Resler of Nomura added that the trade figures "are telling us that growth in the first quarter is export-led, and that the decline of imports coming off a high level is due to some decline in demand in the economy. This is what the Fed wants." His figures also show that consumer spending weakened during the first quarter.

In Mr. Resler's view, the economy is somewhat weaker than Tuesday's surge in the consumer price index indicated. About 40 percent of the increase, he pointed out, came from an increase in the price of housing that appears to be in part a statistical quirk. It is based in part on what homeowners believe their house would rent for on the open market — not necessarily any real rise in rent. Without this rise, the overall increase in the index would have been 0.3 percent.

The Bureau of Labor Statistics said that the housing component last month was also heavily influenced by a survey showing that previously vacant houses in the northeast had been rented, and this showed up as a rent rise in a housing market which one of the softest in the nation.

WORLD STOCK MARKETS

Agence France Presse — April 18

Amsterdam	Close	Prev.
ABN Bank	39.50	39.20
ACF Holding	41.50	42.50
Aegon	120.70	120.50
Ahold	134.80	135.10
Akzo	134.90	134.40
AMEV	54.40	54.60
A'Dam Rubber	5.30	5.40
Amro Bank	79.30	78.30
Bols	177	173.50
Buhrmann Tett	64.60	66.50
BVG	22.50	22.50
Center Parcs	54	52.50
CSM	83.80	83.90
DAF	35.30	35.50
DSM	126.40	124.10
Elsevier	83.40	81.60
Fokker	48.70	47
Gist-Brocades	32.20	31.70
Heineken	122.60	122.30
Hoogovens	81.80	81.40
Hunter Douglas	98	96.50
IHC Caland	49.20	49
Inter Mueller	98	96
KLM	36.20	35.40
KNP	45	44.10
Nat Neder	72.80	72.60
Nedlloyd	107.10	107.80
NMB Bank	50.70	51.50
Oce Grinten	316	313
Pakhoed	185	181.50
Philips	40.90	N.A.
Robeco	95.20	94.60
Rodamco	79.80	79.80
Rolinco	92.70	92.10
Rorento	57.80	57.80
Royal Dutch	142.50	142.10
Unilever	148.50	148.40
Van Ommeren	40.30	39.90
VMF Stork	55	54
VNU	96	96.70
Wessanen	73.20	72.60
Wolters/Kluwer	48.80	48.80
CBS Gen'l Trend Index : 120.20		
Previous : 119.10		

Brussels	Close	Prev.
AG Fin	9890	9920
Arbed	5450	5420
Bekaert	15550	15775
Cockerill	204	205
Cobepa	5750	5680
Delhaize	5830	5800
EBES	4300	4295
GB-Inno-BM	1340	1330
GBL	3985	3985
Gevaert	8400	8410
Hoboken	N.Q.	—
Intercom	3530	3570
Kredietbank	2690	3690
Petrofina	11350	11350
Royal Belge	5390	5400
Soc Gen Banque	4750	4750
Soc Gen (resrv)	3325	3390
Sofina	12800	12825
Solvay	13850	14025
Tractebel	8470	8430
UCB	19300	19400
Unerg Ps	2595	2590
Current Stock Index : 4122.44		
Previous : 4142.13		

Frankfurt	Close	Prev.
AEG	314.50	321
Allianz Hold	2442	2475
Altana	470	459
Asko	845	846
BASF	311	312.50
Bayer	312.30	314
Bay. Hypo bank	415	418
Bay Vereinsbk	374	379
BBC	N.Q.	—
BHF Bank	494	495
BMW	574.50	586
Commerzbank	286.50	285
Continental	308.50	315
Daimler Benz	912	930.50
Degussa	568.50	575
Dt Babcock	242	248
Deutsche Bank	791.50	801
Douglas	806	802
Dresdner Bank	424.50	427.50
Feldmuehle	528	530
Harpener	N.Q.	486
Henkel	635.50	640
Hochtief	1360	1410
Hoechst	297.50	299.50
Hoesch	324	326
Holzmann	1650	1680
Horten	225	225
IWKA	457.50	457
Kali Salz	262	263
Karstadt	671	687
Kaufhof	680.50	687
KHD	272	283
Kloeckner Werke	270	280
Krupp Stahl	440	440
Linde	995	1013
Lufthansa	195	198
MAN	497	506
Mannesmann	349	356.50
Metallgesell	668	677.50
Muench Rueck	2250	N.Q.
Nixdorf	354	362
PKI	535	546
Porsche	1165	1159
Preussag	474	487
PWA	360.20	363.50
RWE	474	484
Rheinmetall	435	436
Schering	845	850
SEL	425.50	428
Siemens	770	779
Thyssen	308.10	314.50
Varta	432.50	431
Veba	452.20	458
VEW	229	227
Viag	425	431
Volkswagen	579.20	590.10
Wella	774	771
DAX Index : 1899.76		
Previous : 1914.35		
FAZ Index : 882.54		
Previous : 889.73		

Helsinki	Close	Prev.
Amer A	130	126
Enso-Gutzeit	32.10	32
K.O.P.	51	48.50
Kymmene	104	103
Nokia	87	90
Pohjola	N.Q.	—
Stockmann	189	189
United Papers	180	181
Wartsila	421	421
Unitas Index : 576.90		
Previous : 601.50		

Hong Kong	Close	Prev.
Bk East Asia	13.40	13.70
Cathay Pacific	8.30	8.30
Cavendish Int'l	3.57	3.50
Cheung Kong	11.80	11.40
China Light Pwr	13.70	13.60
Dairy Farm Int'l	9.65	9.45
Hang Lung Dev	5.15	5.15
Hang Seng Bank	20.30	20.40
Henderson Land	7.35	7.35
HK Air Eng.	18.80	19.10
HK China Gas	20.40	20.70
HK Electric	9.25	9.25
HK Land	7.80	7.85
HK Realty Trust	4.55	4.57
HK Shang Bank	4.30	4.30
HK Shang Htls	4.60	4.62
HK Telecomm	5.40	5.45
HK Ferry	5	5.05
Hutch Whampoa	10.70	10.40
Hyson Dev	1.17	1.17
Jardine Math.	29.40	29.30
Jardine Str Hld	17.20	16.70
Kowloon Motor	6.95	6.85
Mandarin Orient	6	6
Miramar Hotel	6.75	6.70
New World Dev	10.60	10.60
SHK Props	14.30	14.20
Stelux	3.70	3.55
Swire Pac A	16.80	16.30
Tai Cheung Prps	4.17	4.17
TVE	0.95	0.96
Wharf Hold	7.40	7.40
Wing On Co	7.15	7.25
Winsor Ind.	8.30	8.05
World Int'l	3.77	3.80
Hang Seng Index : 3052.35		
Previous : 3020.44		

Johannesburg	Close	Prev.
AECI	16	15.75
Altech	65	66
Anglo Amer Corp	122.75	122.75
Barlows	40.25	40.10
Blyvoor	13.50	13
Buffels	57	57
GFSA	92.50	92
Harmony	33.60	33.60
Highveld Steel	18.90	19.25
Kloof	38.40	38.75
Nedbank Grp	9.50	9.50
Rusplat	76.50	76
SA Brews	33.50	33.75
St Helena	41	41
Sasol	12.40	12.45
Welkom	27.45	27.25
Western Deep	151	151.25
Composite Stock Index : 3104		
Previous : 3110		

London	Close	Prev.
Allied Lyons	4.25	4.25
Anglo Am Gld	55.25	54.50
AA Corp	19	18.87
Asda-MFI Gp	0.99	1.02
Ass Brit Foods	3.86	3.92
Barclays	5.51	5.44
Bass	9.33	9.36
B.A.T.	7.20	7.27
Blue Circle	2.19	2.14
BOC Group	5.17	5.16
Boots	2.51	2.50
Bowater	4.86	4.86
BAe	5.32	5.20
BAA	3.78	3.80
Brit Airways	2.07	2.07
British Gas	2.07	2.08
BP	3.17	3.17
British Steel	1.42	1.42
Brit Telecom	2.67	2.65
BTR	4.22	4.23
Burmah Oil	6.16	6.18
Cable Wire	5.10	5.18
Cadbury Sch	3.27	3.32
Charter Cons	4.33	4.33
Comm Union	4.63	4.72
Cookson	1.87	1.84
Courtaulds	3.05	3.08
Dalgety	3.48	3.75
De Beers	N.Q.	13.25
Dixons	1.18	1.15
Driefontein	12	11.87
Eurotunnel	5.83	5.88
Fisons	3.39	3.38
Gen Acc F	10.03	10.09
GEC	1.95	1.95
GKN	4.12	4.13
Glaxo	7.97	8.11
Grand Met	5.80	5.79
Gt Univ Stores	13.63	13.63
GRE	2.25	2.26
Guinness	6.53	6.45
Hanson Tr	2.29	2.30
Hawker Sidd	4.02	4.04
ICI	10.85	10.87
Kingfisher	2.92	2.88
Land Sec	4.98	4.89
Legal Gen Grp	2.42	2.43
Lloyds Bank	2.61	2.74
Lonrho	2.60	2.61
Lucas Ind	6	6.07
Marks Sp	2	1.98
Maxwell	1.93	1.94
MB Group	1.95	1.98
Midland Bk	3.18	3.26
NatWest	3.35	3.46
Pearson Grp	6.85	6.73
P and O	5.73	5.70
Pilkington	2.08	2.07
Prudential	1.97	1.98
Racal Elec	1.89	1.87
Randfontein $	5.87	N.Q.
Rank Org	7.30	7.30
Reed Int'l	3.89	3.90
Reuters	11.56	11.57
Rolls Royce	1.86	1.88
Royal Dutch	46.12	46.15
RTZ	5.42	5.37
Saatchi	1.12	1.19
Sainsbury	2.50	2.50
Sears Holds	0.90	0.88
Shell	4.49	4.48
Skbeec	4.95	4.98
STC	2.58	2.55
Std Chart Bk	N.Q.	—
Storehouse	1.14	1.16
Sun Alliance	3.04	3.04
Tate and Lyle	2.77	2.78
Tesco	2.01	2.02
Thorn EMI	6.51	6.53
T.I. Group	4.55	4.47
Trafalgar Hse	3.27	3.26
THF	2.53	2.42
Ultramar	3.47	3.51
Unilever	6.52	6.48
Utd Biscuits	3.18	3.23
Vickers	2.19	2.22
War Loan 3½	30.71	30.93
Wellcome	6.75	6.85
Woolworth	59	59
F.T. 30 Index : 1732.60		
Previous : 1736.30		
F.T.S.E. 100 Index : 2205.90		
Previous : 2214.50		

Madrid	Close	Prev.
Bco. Bilbao/Viz.	3150	3070
Bco. Central	4250	4240
Bco. Santander	4560	4400
Banesto	3795	3650
Dragados	2940	2755
Iberduero	626	637
Telefonica	872	875
S.E. General Index : 276.47		
Previous : 269.91		

Milan	Close	Prev.
Banca Comm	5150	5185
Bastogi	362	361
Cigahotels	5725	5730
CIR	5350	5390
Cred Ital	2790	2780
Enimont	1450	1470
Eridania	9720	9700
Ferruzzi Fin.	3130	3185
Ferruzzi Agr.	2595	2600
Fiat SPA	10760	10870
Generali	40850	41100
IFI	28600	28950
Italcem	13200	13220
Italgas	2859	2870
Italmobiliare	21290	21350
Mediobanca	20450	20700
Montedison	2010	2012
NBA	N.Q.	—
Olivetti	7225	7240
Pirelli	2887	2925
RAS	25300	25300
Rinascente	7580	7590
Saipem	3181	3200
SIP	1638	1660
SME	3940	3900
Snia	2725	2735
Standa	34300	34200
Stet	5821	5837
Toro Assi Risp	22690	22730
a: x 100.		
MIB current index : 1040		
Previous : 1049		

Montreal	Close	Prev.
Alcan Aluminum	23¼	23⅝
Bank Montreal	26⅝	27
Bell Canada	40	39⅞
Bombardier A	15½	15⅝
Bombardier B	15⅛	15¾
Cambior	14⅝	15
Cascades	4.10	4.05
CB Pak	N.Q.	—
Dominion Text A	12⅜	12⅜
Donohue	10⅝	N.Q.
MacMillan Bl	17¼	17⅜
Memotec	9½	9⅛
Natl Bk Canada	9⅝	9⅝
Noverco	12⅜	12⅝
Power Corp.	15⅛	15¾
Provigo	9⅝	9⅝
Quebec Tel	14¾	14⅜
Quebecor A	12½	N.Q.
Quebecor B	9½	10¼
Videotron	12¼	12¼
Industrials Index : 1594.89		
Previous : 1604.96		

Paris	Close	Prev.
Accor	949	954
Air Liquide	727	740
Avions Dassault	511	512
Bancaire (Cie)	643	642
BIC	649	642
Bongrain	3049	3055
Bouygues	663	670
BSN-GD	850	854
Carrefour	3543	3570
Cerus	416.10	418.10
C.G.E.	633	642
Chargeurs	1192	1280
Club Med	716	724
Dumez	644	648
Elf-Aquitaine	646	654
Europe 1	1415	1425
Gen. Eaux	2440	2426
Hachette	439.80	434
Havas	1724	1755
Imetal	363	350.10
Lafarge Coppee	425	425
Legrand	4100	4170
Oreal (L')	5440	5480
L.V.M.H.	4920	4930
Matra	401	398.50
Merlin Gerin	5750	5650
Michelin	150.10	152.60
Moulinex	137	134
Occidentale	750	750
Paribas	674	680
Pernod-Ricard	1288	1308
Perrier	1641	1632
Peugeot	904	912
Printemps (Au)	613	620
Radiotechnique	710	685
Raff. St. Louis	1540	1550
Redoute (La)	3380	3350
Roussel Uclaf	2180	2210
Saint Gobain	647	651
Sanofi	1090	1084
Skis Rossignol	1059	1041
Societ. Generale	612	612
Suez	487.10	492
Telemecanique	4700	N.Q.
Thomson-CSF	144	149.40
Total	664	640
Valeo	710	698
CAC 40 Index : 2098.48		
Previous : 2126.34		

Sao Paulo (April 17)	Close	Prev.
Banco do Brasil	10.90	11.20
Bradesco	0.70	0.70
Brahma	3	2.90
Paranapanema	0.62	0.61
Petrobras	114	112
Vale Rio Doce	43	42
Varig	11.60	11
Bovespa Index : 13902		
Previous : 13722		

Singapore	Close	Prev.
Cerebos	8.05	8.05
City Dev.	3.20	3.22
DBS	13.30	13.40
Fraser Neave	9.15	9.30
Genting	8.35	8.30
Harrisons Plant	1.59	1.60
Hong Par	2.71	2.68
Hume	3.18	3.12
Inchcape	5.75	5.70
Keppel	7.70	7.45
KL Kepong	2.81	2.82
Lum Chang	1.47	1.46
Malayan Banking	8.40	8.45
OCBC	8.90	8.95
OUB	4.56	4.50
OUE	8.75	8.75
Sembawang	7.20	6.95
Shangrila	9.85	9.95
Sime Darby	2.88	2.90
SIA	13.70	13.60
S'pore Land	15	14.90
S'pore Press	8	8.05
Sing Steamship	3.32	3.34
Straits Trading	3.48	3.50
UOB	5.90	5.90
United Overseas	2.12	2.12
Straits Times Ind. : 1533.57		
Previous : 1535.95		

Stockholm	Close	Prev.
AGA	255	255
Alfa Laval	216	212
Asea	672	670
Astra -A	380	388
Atlas Copco	335	335
Electrolux B	257	253
Ericsson	907	886
Esselte-A	226	225
Handelsbanken	99.50	99.50
Pharmacia-A	225	225
Norsk Hydro	193	194.50
Saab-Scania	286	287
Sandvik	270	270
SCA-A	122	120
S-E. Banken	71.50	72
Skandia Int-A	250	250
Skanska	505	505
SKF	149	148
Stora	277	276
Volvo	366	364
Affaersvaerlden : 1131.58		
Previous : 1131.80		

Sydney	Close	Prev.
ANZ	5.08	5.10
BHP	9.08	9.08
Bond	N.Q.	—
Boral	3.38	3.34
Bougainville	1.12	1.10
Coles Myer	7.74	7.72
Comalco	4.14	4.20
CRA	11.55	11.55
CSR	4.32	4.30
Dunlop	4.70	4.75
Elders IXL	1.87	1.84
ICI Australia	4.75	4.70
Magellan	1.56	1.56
MIM	2.22	2.20
Nat Aust Bank	6.28	6.28
News Corp	11	10.90
N Broken Hill	2.22	2.19
Poseidon	2.35	2.45
QCT Resources	1.40	1.43
Santos	4.20	4.18
TNT	2.58	2.52
Western Mining	4.82	4.86
Westpac Banking	5.30	5.28
Woodside	2.80	2.76
All ordinaries index : 1501.30		
Previous : 1499.30		

Tokyo	Close	Prev.
Akai Electr	1000	990
Asahi Chemical	870	847
Asahi Glass	1730	1700
Bank of Tokyo	1300	1300
Bridgestone	1430	1430
Canon	1750	1710
Casio	1650	1580
C.Itoh	817	775
Dai Nippon Print	2080	2040
Daiwa House	2150	2020
Daiwa Securities	1460	1460
Fanuc	7110	6940
Fuji Bank	2590	2550
Fuji Photo	4100	4000
Fujitsu	1430	1400
Hitachi	1600	1560
Hitachi Cable	1040	1010
Honda	1810	1780
Ito Yokado	3780	3800
Japan Air Lines	14800	14700
Kajima	1690	1600
Kansai Power	3130	3040
Kawasaki Steel	570	560
Kirin Brewery	1760	1680
Komatsu	1030	1020
Kubota	919	885
Kyocera	7300	7220
Matsu Elec Inds	2180	2110
Matsu Elec Wks	1890	1880
Mitsubishi Bk	2290	2270
Mitsubishi Kasei	697	690
Mitsubishi Elec	1000	980
Mitsubishi Hev	942	930
Mitsubishi Corp	1370	1330
Mitsui and Co	920	870
Mitsukoshi	1720	1690
Mitsumi	1150	1120
NEC	2120	2080
NGK Insulators	1440	1390
Nikko Securities	1220	1190
Nippon Kogaku	1440	1410
Nippon Oil	1060	1030
Nippon Steel	591	580
Nippon Yusen	855	845
Nissan	1080	1070
Nomura Sec	2200	2130
NTT (SF)	9881	9904
Olympus Optical	1670	1610
Pioneer	6070	5950
Ricoh	1130	1120
Sanyo Elec	810	760
Sharp	1740	1730
Shimazu	1070	1050
Shinetsu Chem	1630	1570
Sony	8400	8270
Sumitomo Bk	2400	2400
Sumitomo Chem	635	620
Sumi Marine	1040	1040
Sumitomo Metal	560	546
Taisei Corp	1200	1150
Taisho Marine	1050	1030
Takeda Chem	1810	1810
TDK	6840	6380
Teijin	748	731
Tokio Marine	1450	1430
Tokyo Elec Pw	3990	3920
Toppan Printing	1850	1820
Toray Ind.	835	791
Toshiba	1020	1020
Toyota	2360	2310
Yamaichi Sec	1230	1210
Nikkei 225 : 29249		
Previous : 28461		
New index : 2167		
Previous : 2128		

Toronto	Close	Prev.
Abitibi Price	15⅛	15¼
Agnico Eagle	8¼	9¼
Air Canada	10½	10⅝
Alberta Energy	19¼	19¼
Am Barrick Res	21¼	21
BCE	40	40⅛
BCED	0.33	0.32
Bk Nova Scotia	13½	13¾
BC Gas	14¼	14½
BC Phone	17⅝	18¼
BP Canada	20⅝	20⅝
Bramalea	16½	15⅞
Brunswick	9⅝	10
CAE	6¼	7¼
Campeau	1.77	1.78
CIBC	25⅝	26¼
Canadian Pacific	22	22⅛
Can Packers	13⅝	13⅝
Cdn Tire A	21	20⅝
Cantor	26	26⅛
Cara	15⅛	15¼
CCL Ind B	9⅝	9⅝
Cineplex	5⅛	5⅛
Cominco	24⅝	24⅝
Conwest Expl A	13¼	13
Corona A	8⅝	8½
Denison Min B	1½	1½
Dickenson Min A	5⅜	5⅝
Dofasco	21¾	21¾
Dylex A	6¾	6⅞
Echo Bay Mines	17⅛	17¼
Equity Silver A	2.65	2.55
FCA Int'l	9⅞	10
Fed Ind A	12⅞	12⅝
Fletcher Chall A	15⅛	15½
FPI	5⅛	5⅛
GoldCorp	5⅛	5⅛
Grafton Group	N.Q.	—
Gulf Cda Res	14¼	14⅝
Hees Int'l	25⅛	25½
Hemlo Gld Mines	19⅛	19⅝
Hollinger	11⅞	12⅛
Horsham	9⅛	9½
Hudson Bay	N.Q.	7¾
Imasco	35⅛	34⅝
Inco	28⅞	29
Interhome	46	46
Jannock	17	17
Labatt	21⅛	21⅛
Loblaw Co	15⅛	15⅛
Mackenzie	7¼	7½
Magna Int'l A	4.65	4⅛
Maritime	17¼	17⅛
Mark Res	9⅝	9⅝
MacLean Hunt X	N.Q.	—
Molson A	35½	35⅛
Noma Ind A	N.Q.	—
Noranda	20	20
Noranda Forest	11½	11⅛
Norcen Energy	24⅝	24⅝
Nova Corp	7⅛	7⅛
Oshawa	31	30⅝
Pagurin A	8	8
Placer Dome	19⅛	19
Poco Petroleum	6⅛	6⅞
PWA Corp	11⅛	11⅛
Quebec Sturgeon	1	0.96
Rayrock	9½	9
Renaissance	25⅛	25⅛
Rogers B	8⅞	9⅛
Rothmans	67	67⅛
Royal Bank Can	20⅜	21⅛
Royal TrustCo	15	15
Sceptre Res	3.85	3.70
Scott's Hosp	14½	14⅛
Seagram	91⅛	92
Sears Can	11⅛	11⅛
Shell Can	38⅛	38⅛
Sherritt Gordon	8⅞	8½
SHL Systemhse	5	5
Southam	24½	25
Spar Aerospace	9	9
Stelco A	18⅛	18⅛
Teck B	24⅛	24⅛
Thomson News	13⅛	14
Toronto Domn	16⅛	16⅛
Torstar B	28⅛	28
Transalta Util	13⅛	13⅛
TransCda Pipe	15⅛	16
Trilon Finl A	18⅛	18⅛
Trimac	7	7⅛
Trizec A	19	19⅛
Turbo Resources	0.47	0.46
Unicorp A	3	N.Q.
Woodward's Ltd	14⅛	14⅛
TSE 300 Index : 3474.60		
Previous : 3513.70		

Zurich	Close	Prev.
Adia Intl	1450	1480
Alusuisse	1220	1225
Bank Leu	2800	2800
Brown Boveri	5600	5575
Ciba Geigy	2900	2890
CS Holding	2310	2300
Elektrow	2940	2910
Fischer	2290	2290
Interdiscount	4100	4110
Jacobs Suchard	6950	6900
Jelmoli	2020	2000
Landis Gyr	1440	1450
Moevenpick	5225	5225
Nestle	8475	8475
Oerlikon-B	945	935
Pargesa Hld	1520	1545
Roche Holding B	3540	3545
Sandoz	2080	2080
Schindler	6500	6375
Sulzer	705	705
Surveillance	4750	4740
Swissair	1010	1010
SBC	290	294
Swiss Reinsur	496	504
Swiss Volksbank	1520	1520
Union Bank	3420	3440
Winterthur	3330	3360
Zurich Ins	1770	1800
SBS Index : 620.40		
Previous : 621.90		

U.S. FUTURES

Via Associated Press — April 18

Grains

Season High	Season Low		Open	High	Low	Close	Chg.
WHEAT (CBT) 5,000 bu minimum-dollars per bushel							
4.32	3.47	May	3.64½	3.67	3.64½	3.65½	+.00½
3.85	3.36	Jul	3.42½	3.43	3.41	3.41¼	—.01½
3.73	3.42	Sep	3.48½	3.48½	3.47	3.47	—.01¼
3.80	3.55	Dec	3.60¼	3.61	3.59¼	3.59¾	—.01
3.85	3.60½	Mar	3.65½	3.66	3.64½	3.64¾	—.01¼
3.72	3.55	May	3.59½	3.60	3.57½	3.60	
Est. Sales		Prev. Sales 18,688					
Prev. Day Open Int. 50,353 off 242							
CORN (CBT) 5,000 bu minimum-dollars per bushel							
2.89½	2.30	May	2.74¼	2.75½	2.73½	2.73¾	—.00¼
2.85	2.31	Jul	2.76	2.77½	2.75	2.75¼	—.00½
2.71	2.29	Sep	2.70¼	2.72¼	2.69½	2.69¾	—.00¼
2.68¼	2.22	Dec	2.66¾	2.68¼	2.65½	2.65¾	—.01¼
2.73	2.41	Mar	2.72	2.73¼	2.70¾	2.71¼	—.01¼
2.75½	2.49¼	May	2.74½	2.76	2.73½	2.73¾	—.01¼
2.77	2.63	Jul	2.77½	2.78	2.76¼	2.76¼	—.00¾
Est. Sales		Prev. Sales 65,887					
Prev. Day Open Int.249,425 up 2,224							
SOYBEANS (CBT) 5,000 bu minimum-dollars per bushel							
7.78	5.46¼	May	5.98½	6.00½	5.94	5.94¼	—.02¼
7.31	5.70	Jul	6.12½	6.14¼	6.08	6.08¼	—.02½
7.05	5.70	Aug	6.17	6.19½	6.13¼	6.13½	—.02¼
6.60	5.48	Sep	6.18	6.19½	6.14½	6.14¾	—.02
6.60	5.64½	Nov	6.24	6.26	6.20½	6.21	—.02½
6.38½	5.87	Jan	6.35	6.36	6.30½	6.30½	—.03
6.48	5.65½	Mar	6.45½	6.46	6.41	6.41½	—.02½
6.53	6.14½	May	6.51½	6.53	6.48½	6.48½	—.03½
Est. Sales		Prev. Sales 43,167					
Prev. Day Open Int.123,534 up 1,611							
SOYBEAN MEAL (CBT) 100 tons-dollars per ton							
230.50	163.00	May	171.80	172.50	171.00	171.00	+.20
208.00	167.80	Jul	174.30	174.90	173.60	173.80	+.20
188.00	170.10	Aug	178.00	179.20	177.80	178.20	+.50
188.00	171.50	Sep	180.00	181.00	179.90	180.00	+.30
188.50	173.80	Oct	182.00	182.70	181.80	182.00	+.40
190.50	174.00	Dec	185.80	187.00	185.50	186.10	+.60
189.30	178.00	Jan	186.50	188.50	187.50	187.80	+.80
194.50	181.00	Mar	192.80	192.80	192.50	192.50	—.30
195.00	188.00	May	193.00	193.00	192.50	192.50	—.50
Est. Sales		Prev. Sales 18,055					
Prev. Day Open Int. 75,377 up 1,376							
SOYBEAN OIL (CBT) 60,000 lbs-dollars per 100 lbs.							
26.05	19.20	May	22.95	23.04	22.71	22.71	—.29
25.80	19.50	Jul	23.17	23.20	22.86	22.87	—.30
23.90	19.50	Aug	22.92	23.05	22.75	22.76	—.24
22.84	19.50	Sep	22.88	22.88	22.50	22.51	—.31
22.50	19.65	Oct	22.45	22.50	22.25	22.25	—.22
22.19	19.75	Dec	22.17	22.22	22.02	22.03	—.14
22.00	19.81	Jan	22.00	22.05	21.85	21.85	—.15
21.90	19.82	Mar	21.90	21.90	21.80	21.80	—.10
21.70	20.15	May	21.80	21.80	21.60	21.60	—.02
21.60	21.05	Jul	21.60	21.75	21.35	21.35	—.10
Est. Sales		Prev. Sales 32,825					
Prev. Day Open Int. 94,407 up 2,617							

Livestock

Season High	Season Low		Open	High	Low	Close	Chg.
CATTLE (CME) 40,000 lbs.- cents per lb.							
80.55	70.80	Apr	79.87	79.92	79.40	79.87	+.15
74.20	69.75	Jun	73.55	73.65	73.37	73.47	+.10
73.17	69.12	Aug	72.72	72.72	72.47	72.57	+.05
74.80	68.30	Oct	74.02	74.10	73.92	73.95	
74.85	71.00	Dec	74.10	74.25	74.02	74.05	
74.95	72.50	Feb	74.25	74.25	74.10	74.10	+.05
75.00	74.15	Apr	74.50	74.60	74.30	74.37	+.07
Est. Sales 11,202		Prev. Sales 15,562					
Prev. Day Open Int. 97,349 off 985							
FEEDER CATTLE (CME) 44,000 lbs.- cents per lb.							
84.35	78.90	Apr	83.95	84.10	83.77	84.10	+.15
83.40	73.60	May	82.20	82.30	82.00	82.25	—.02
82.80	78.50	Aug	81.90	82.00	81.70	81.82	—.10
82.50	78.00	Sep	81.40	81.65	81.50	81.60	—.07
82.30	78.20	Oct	81.45	81.60	81.35	81.55	+.03
82.45	79.00	Nov	81.55	81.75	81.55	81.65	
82.45	79.75	Jan	81.40	81.90	81.60	81.90	—.10
81.80	81.20	Mar	81.90	81.95	81.60	81.90	—.05
Est. Sales 1,245		Prev. Sales 1,722					
Prev. Day Open Int. 13,086 off 228							
HOGS (CME) 30,000 lbs.- cents per lb.							
54.50	39.40	Apr	54.45	54.85	54.12	54.80	+.35
60.30	44.25	Jun	59.95	60.47	59.82	60.37	+.32
60.10	44.95	Jul	59.47	60.05	59.50	59.95	+.18
59.05	43.70	Aug	57.95	58.15	57.67	58.00	—.05
54.10	40.80	Oct	52.75	52.75	52.30	52.32	—.30
53.30	44.25	Dec	51.65	51.75	51.35	51.35	—.27
51.50	45.25	Feb	50.40	50.48	50.25	50.47	—.35
48.00	45.15	Apr	47.00	47.15	46.95	47.10	+.10
Est. Sales		Prev. Sales 7,847					
Prev. Day Open Int. 39,776 up 1,019							
PORK BELLIES (CME) 40,000 lbs.- cents per lb.							
63.75	39.50	May	58.90	59.65	58.52	59.42	+.22
61.90	39.95	Jul	58.80	59.90	58.77	59.72	+.37
60.00	39.30	Aug	57.90	58.65	57.75	58.47	+.20
63.40	48.07	Feb	60.37	60.50	58.70	58.77	—1.93
61.30	50.30	Mar	58.90	58.90	58.70	58.70	—2.00
61.20	57.00	May	58.70	58.70	58.70	58.70	—1.80
Est. Sales 5,874		Prev. Sales 6,550					
Prev. Day Open Int. 15,790 up 598							

Food

Season High	Season Low		Open	High	Low	Close	Chg.
COFFEE C (NYCSCE) 37,500 lbs.- cents per lb.							
124.50	72.75	May	94.75	95.20	92.90	92.99	—2.99
132.25	74.85	Jul	96.60	97.20	94.85	94.89	—2.97
120.00	77.25	Sep	98.50	98.90	96.90	97.00	—2.78
109.50	81.00	Dec	101.25	101.40	99.50	99.50	—2.60
116.75	83.00	Mar	103.00	103.25	102.50	101.43	—2.77
123.00	91.25	May	105.50	105.50	105.50	103.43	—2.22
110.00	92.75	Jul				106.25	—1.75
		Sep	108.90	108.90	108.90	107.50	—2.75
Est. Sales 45,007		Prev. Sales 5,910					
Prev. Day Open Int.							
SUGARWORLD 11 (NYCSCE) 112,000 lbs.- cents per lb.							
16.28	9.20	May	14.90	15.49	14.90	15.40	+.48
16.10	10.55	Jul	15.22	15.69	15.22	15.56	+.34
15.56	10.40	Oct	14.97	15.47	14.96	15.34	+.37
14.47	12.10	Mar	14.19	14.51	14.19	14.42	+.21
14.25	13.00	May				14.24	+.20
14.16	13.15	Jul				14.02	+.12
Est. Sales		Prev. Sales 21,893					
Prev. Day Open Int.164,461 off 359							
COCOA (NYCSCE) 10 metric tons-$ per ton							
1465	905	May	1248	1286	1246	1273	+14
1384	921	Jul	1278	1316	1278	1297	+14
1400	941	Sep	1300	1330	1300	1314	+13
1407	965	Dec	1315	1345	1315	1337	+14
1419	985	Mar	1330	1354	1328	1344	+13
1428	1000	May	1342	1364	1340	1355	+11
1440	1060	Jul	1356	1385	1355	1374	+11
Est. Sales		Prev. Sales 11,703					
Prev. Day Open Int. 48,651 off 768							
ORANGE JUICE (NYCE) 15,000 lbs.- cents per lb.							
205.85	122.50	May	195.00	195.00	193.90	194.10	—1.10
205.50	123.00	Jul	193.50	193.60	192.50	192.70	—1.15
202.00	123.50	Sep	189.00	189.00	188.10	188.10	—.75
199.50	124.00	Nov	181.00	181.00	181.00	181.45	—.35
191.00	125.00	Jan	175.50	176.50	175.50	176.00	+.45
190.50	170.50	Mar	175.25	176.50	175.25	176.85	+.80
190.00	171.75	May				175.55	+.80
		Jul				175.55	+.80
Est. Sales		Prev. Sales 687					
Prev. Day Open Int. 72,008 off 82							

Metals

Season High	Season Low		Open	High	Low	Close	Chg.
HI GRADE COPPER 25,000 lbs.- cents per lb.							
127.60	95.80	Apr	118.30	119.30	118.30	118.70	—.30
125.00	94.50	May	114.90	117.40	114.80	116.20	—.65
120.50	95.20	Jun				112.60	+.10
117.10	93.25	Jul	110.00	111.10	108.80	109.70	+.20
113.20	95.00	Aug	108.50	108.60	108.50	107.75	+.25
113.30	92.50	Sep	105.90	106.70	105.90	106.00	+.30
109.80	94.50	Oct				104.80	+.30
101.70	94.50	Nov				103.70	+.40
110.00	91.50	Dec	102.20	103.20	102.20	102.70	+.40
103.70	94.00	Jan				101.90	+.40
		Feb				101.10	+.40
106.00	92.30	Mar	100.50	100.50	100.50	100.40	+.40
103.25	97.00	May				99.20	+.40
		Jul				98.40	+.40
		Sep				97.70	+.40
		Dec				97.00	+.40
		Jan				94.90	+.40
Est.Sales		Prev.Sales 9,814		Prev.Day Open Int. 36,289		Chg. +794	
ALUMINUM (COMEX) 40,000 lbs.- cents per lb.							
		Apr				71.00	+1.00
75.00	65.00	May				71.80	+1.80
		Jun				70.70	+1.80
95.50	66.80	Jul	69.00	69.00	69.00	70.00	+1.80
74.50	74.50	Sep				70.00	+1.00
		Dec				70.00	+1.00
		Jan				70.00	+1.80
		Mar				70.00	+1.80
		May				70.00	+1.00
		Jul				70.00	+1.80
		Sep				70.00	+1.80
		Dec				70.00	+1.00
		Jan				70.00	+1.00
Est. Sales		Prev. Sales 7					
Prev. Day Open Int.							
SILVER (COMEX) 5,000 troy oz.- cents per troy oz.							
536.0	492.0	Apr				504.5	—2.8
910.0	490.0	May	509.5	512.5	506.0	507.0	—3.0
517.1	514.5	Jun				512.0	—3.0
761.5	500.0	Jul	518.5	521.0	514.5	514.1	—3.0
748.0	511.0	Sep	528.0	529.0	524.8	524.8	—3.1
742.0	522.0	Dec	540.0	541.5	535.0	536.6	—3.1
688.0	543.0	Jan				540.3	—3.1
665.0	533.0	Mar	553.5	553.5	553.0	548.4	—3.1
647.0	542.0	May				556.6	—3.1
667.5	550.0	Jul				565.0	—3.1
654.0	560.0	Sep				573.8	—3.1
623.5	571.0	Dec	590.5	590.5	590.5	586.5	—3.1
596.0	596.0	Jan				590.6	—3.1
Est. Sales		Prev. Sales 20,980					
Prev. Day Open Int. 94,252 up 1,598							
PLATINUM (NYME) 50 troy oz.- dollars per troy oz.							
557.50	468.00	Apr	480.00	480.00	477.00	477.10	—1.00
556.00	475.50	Jul	482.00	486.50	481.00	482.10	—1.00
560.50	481.00	Oct	488.50	489.50	488.40	487.60	—1.00
551.00	488.00	Jan				493.60	—1.00
554.50	493.60	Apr				499.70	—1.00
510.00	504.00	Jul				505.70	—1.00
Est. Sales		Prev. Sales 1,522					
Prev. Day Open Int. 15,819 up 649							
PALLADIUM (NYME) 100 troy oz- dollars per oz							
175.00	124.50	Jun	129.60	129.60	128.25	128.80	—.30
149.50	128.00	Sep	130.00	130.35	130.00	130.05	—.30
147.00	129.75	Dec				131.55	—.30
142.00	123.25	Mar				133.05	—.30
Est. Sales		Prev. Sales 57					
Prev. Day Open Int. 5,388 up 9							
GOLD (COMEX) 100 troy oz.- dollars per troy oz.							
425.00	362.50	Apr	376.50	376.50	374.80	376.10	+.90
376.40	371.30	May	377.50	377.50	377.50	377.30	+.90
497.00	367.00	Jun	378.40	380.80	377.70	379.70	+.90
487.00	372.00	Aug	383.00	385.20	383.80	384.50	+1.00
472.00	380.00	Oct	388.00	389.00	388.00	389.40	+1.10
455.50	381.50	Dec	393.00	394.70	392.60	394.20	+1.20
457.50	389.00	Feb	397.80	397.80	397.80	399.20	+1.30
460.00	397.00	Apr				404.00	+1.40
466.20	402.50	Jun				409.10	+1.40
468.00	389.30	Aug				414.00	+1.40
476.00	414.50	Oct				419.30	+1.50
483.00	415.80	Dec				424.40	+1.60
428.00	427.20	Feb				430.00	+1.70
Est. Sales		Prev. Sales 27,867					
Prev. Day Open Int.119,775 up 924							

Financial

Season High	Season Low		Open	High	Low	Close	Chg.
US T. BILLS (IMM) $1 million- pts of 100 pct.							
93.65	91.10	Jun	92.29	92.31	92.15	92.16	—.14
93.65	91.28	Sep	92.30	92.31	92.13	92.14	—.18
93.32	91.99	Dec	92.17	92.17	92.03	92.03	—.18
93.20	92.80	Mar	91.94	91.94	91.94	91.94	—.18
92.70	91.82	Jun	91.73	91.73	91.73	91.73	—.18
Est. Sales		Prev. Sales 5,439					
Prev. Day Open Int. 31,784 off 119							
10 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct							
101-4	94-19	Jun	94-30	95-4	94-5	94-8	—20
100-14	94-17	Sep	94-24	94-28	94-2	94-4	—20
98-27	95-10	Dec				94	—21
Est. Sales		Prev. Sales 37,735					
Prev. Day Open Int. 74,367 up 165							
US TREASURY BONDS (CBT) (8 pct-$100,000-pts & 32nds of 100 pct)							
100-15	75	Jun	91-13	91-13	90	90-6	—31
100-4	79-1	Sep	91-2	91-6	89-22	89-30	—31
99-24	80	Dec	90-30	90-30	89-28	89-24	—31
99-12	79-21	Mar	90-24	90-25	89-13	89-13	—32
99-4	82-18	Jun	90-20	90-20	89-8	89-13	—32
99-5	86-4	Sep	90-15	90-15	89-1	89-6	—32
98-20	88-18	Dec	90-5	90-5	88-30	89-3	—32
98-13	90-27	Mar				88-30	—32
97-19	90-20	Jun				88-25	—32
92-12	92-4	Sep				88-20	—32
Est. Sales		Prev. Sales422,493					
Prev. Day Open Int.281,337 up 13,111							
MUNICIPAL BONDS (CBT) $1000x index-pts & 32nds of 100 pct							
95-13	87-2	Jun	90-1	90-4	89-13	89-16	—16
95-11	88-26	Sep	89-5	89-7	88-13	89-14	—22
		Dec				88-3	—22
Est. Sales		Prev. Sales 5,011					
Prev. Day Open Int. 7,517 up 643							
EURODOLLARS (IMM) $1 million-pts of 100 pct.							
92.45	88.82	Jun	91.48	91.42	91.28	91.30	—.11
92.39	88.74	Sep	91.31	91.33	91.13	91.15	—.16
92.15	89.05	Dec	91.12	91.15	90.95	90.97	—.16
92.01	89.04	Mar	90.96	90.98	90.80	90.82	—.14
91.85	89.51	Jun	90.82	90.82	90.67	90.69	—.14
91.83	90.04	Sep	90.76	90.78	90.62	90.64	—.14
91.78	90.04	Dec	90.66	90.66	90.53	90.54	—.14
91.82	90.09	Mar	90.67	90.69	90.54	90.58	—.13
91.76	90.59	Jun	90.63	90.64	90.48	90.51	—.13
91.72	90.54	Sep	90.59	90.61	90.47	90.47	—.13
91.53	90.48	Dec	90.51	90.53	90.39	90.39	—.13
91.65	90.51	Mar	90.54	90.54	90.42	90.42	—.13
91.51	90.48	Jun	90.54	90.54	90.42	90.40	—.13
91.47	90.47	Sep	90.53	90.53	90.41	90.39	—.13
91.37	90.40	Dec	90.45	90.45	90.34	90.32	—.13
90.27	90.44	Mar	90.49	90.49	90.38	90.36	—.13
Est. Sales		Prev. Sales110,880					
Prev. Day Open Int.615,853 up 3,065							
BRITISH POUND (IMM) $ per pound-1 point equals $0.0001							
1.6822	1.4400	Jun	1.6076	1.6250	1.6140	1.6230	+32
1.7700	1.5290	Sep	1.5920	1.5970	1.5920	1.5968	+34
Est. Sales		Prev. Sales 13,076					
Prev. Day Open Int. 25,338 up 736							
CANADIAN DOLLAR (IMM) $ per dlr-1 point equals $0.0001							
.8545	.8086	Jun	.8517	.8545	.8514	.8529	+13
.8468	.8092	Sep	.8414	.8438	.8414	.8427	+13
.8420	.8050	Dec	.8334	.8334	.8334	.8333	+13
.8365	.7990	Mar	.8245	.8245	.8245	.8248	+13
.8299	.7995	Jun	.8164	.8164	.8164	.8165	+13
Est. Sales		Prev. Sales 5,453					
Prev. Day Open Int. 24,925 up 147							
GERMAN MARK (IMM) $ per mark-1 point equals $0.0001							
.6060	.5657	Jun	.5956	.5997	.5948	.5995	+38
.6050	.5525	Sep	.5953	.5997	.5952	.5994	+31
.6018	.5769	Dec	.5949	.5983	.5949	.5972	+32
.6025	.5820	Mar				.5950	+35
Est. Sales		Prev. Sales 15,394					
Prev. Day Open Int. 69,410 off 648							
JAPANESE YEN (IMM) $ per yen-1 point equals $0.000001							
.007530	.006254	Jun	.006273	.006328	.006268	.006326	+53
.007390	.006268	Sep	.006284	.006345	.006284	.006341	+55
.007080	.006290	Dec				.006357	+56
.006605	.006315	Mar				.006375	+57
Est. Sales		Prev. Sales 24,908					
Prev. Day Open Int. 70,153 up 966							
SWISS FRANC (IMM) $ per franc-1 point equals $0.0001							
.6789	.5850	Jun	.6692	.6770	.6686	.6767	+64
.6750	.6050	Sep	.6682	.6767	.6675	.6762	+65
.6750	.5600	Dec	.6713	.6720	.6680	.6759	+65
.6725	.6500	Mar				.6771	+65
Est. Sales		Prev. Sales 8,649					
Prev. Day Open Int. 31,369 up 114							

Industrials

Season High	Season Low		Open	High	Low	Close	Chg.
LUMBER (CME) 150,000 bd. ft.- $ per 1,000 bd. ft.							
205.90	188.00	May	192.50	194.60	192.00	194.20	+.20
205.00	177.50	Jul	196.90	198.50	194.50	198.00	+.30
204.80	192.00	Sep	196.50	198.20	196.70	197.90	+.40
200.00	189.90	Nov	193.80	196.00	194.50	195.30	+.30
201.30	186.30	Jan	196.70	196.70	196.00	196.80	+.50
202.30	191.00	Mar	196.50	196.50	196.50	197.50	+.30
201.80	196.50	May	196.50	196.50	196.50	197.50	+.30
Est. Sales 769		Prev. Sales 922					
Prev. Day Open Int. 4,782 off 56							
COTTON 2 (NYCE) 50,000 lbs.- cents per lb.							
78.85	55.90	May	74.25	74.25	72.50	73.07	—.98
78.70	63.70	Jul	73.90	73.95	72.45	72.75	—1.05
72.20	63.95	Oct	68.50	69.10	68.25	68.30	—.08
69.20	62.80	Dec	66.25	66.50	64.70	66.15	+.05
68.45	63.82	Mar	66.92	67.17	66.92	66.85	+.07
67.57	64.40	May	67.15	67.25	67.15	67.20	+.12
77.40	65.67	Jul	67.50	67.50	67.15	67.35	+.15
		Oct				65.65	+.40
Est. Sales		Prev. Sales 6,848					
Prev. Day Open Int. 38,321 up 657							
HEATING OIL (NYME) 42,000 gal- cents per gal							
59.50	44.50	May	53.60	53.60	52.45	52.75	—1.45
57.70	44.50	Jun	52.70	52.75	51.60	50.15	—1.32
57.20	46.80	Jul	50.30	50.40	49.60	50.10	—1.72
57.40	47.80	Aug	51.40	51.40	50.50	50.98	—1.80
58.80	48.00	Sep	52.00	52.00	52.00	52.38	—1.80
58.50	52.00	Oct	53.30	53.30	52.90	52.90	—1.72
59.40	51.80	Nov	54.00	54.05	53.75	53.80	—1.95
60.75	52.85	Dec	55.15	54.65	54.65	54.90	—1.80
60.40	54.60	Jan	55.50	55.50	55.00	55.10	—1.80
60.00	54.35	Feb	55.05	55.05	54.65	54.65	—1.80
56.75	52.80	Mar	53.30	53.30	53.30	53.00	—1.75
Est. Sales		Prev. Sales 26,376					
Prev. Day Open Int. 79,297 up 333							
CRUDE OIL (NYME) 1,000 bbl.- dollars per bbl.							
22.27	16.20	May	17.20	17.20	16.60	16.93	—.51
22.05	16.50	Jun	18.15	18.19	17.70	18.10	—.39
21.80	16.40	Jul	18.85	18.90	18.44	18.80	—.36
21.63	16.39	Aug	19.30	19.32	18.92	19.15	—.31
21.52	16.58	Sep	19.45	19.67	19.36	19.50	—.26
21.46	16.58	Oct	19.80	19.80	19.50	19.72	—.21
21.48	17.30	Nov	19.80	19.80	19.52	19.62	—.27
21.50	17.80	Dec	19.80	19.80	19.52	19.68	—.24
21.45	17.87	Jan	19.72	19.79	19.66	19.68	—.20
21.35	18.15	Feb	19.76	19.76	19.62	19.62	—.20
21.43	18.40	Mar	19.75	19.73	19.60	19.60	—.20
21.55	18.80	Apr	19.74	19.74	19.65	19.65	—.20
21.45	18.80	May	19.70	19.72	19.60	19.60	—.20
21.45	18.45	Jun	19.72	19.72	19.50	19.45	—.23
21.45	17.80	Jul	19.72	19.75	19.45	19.45	—.17
20.62	19.97	Oct	19.74	19.74	19.74	19.74	—.05
Est. Sales		Prev. Sales 95,935					
Prev. Day Open Int.298,914 off 324							

Stock Indexes

Season High	Season Low		Open	High	Low	Close	Chg.
SP COMP. INDEX (CME) points and cents							
371.20	320.70	Jun	347.80	347.90	341.80	342.90	—4.30
372.50	328.00	Sep	352.50	352.60	346.70	347.75	—4.90
356.90	333.90	Dec	356.50	356.50	351.20	352.00	—4.20
Est. Sales		Prev. Sales 59,584					
Prev. Day Open Int.116,789 up 979							
VALUE LINE (KCBT) points and cents							
317.30	267.00	Jun	277.70	277.70	274.10	275.00	—2.20
298.75	273.40	Sep	281.70	281.70	278.30	279.00	—2.15
287.30	279.30	Dec				283.20	—2.15
288.50	284.00	Mar	289.00	289.00	289.00	289.00	
Est. Sales		Prev. Sales 256					
Prev. Day Open Int. 1,455 up 13							
NYSE COMP. INDEX (NYFE) points and cents							
205.45	177.00	Jun	190.55	190.65	187.70	187.70	—2.40
209.00	181.00	Sep	192.85	192.85	189.45	190.05	—2.20
206.50	185.75	Dec	195.00	195.00	193.25	192.40	—2.00
196.00	193.15	Mar				194.75	—2.40
Est. Sales		Prev. Sales 5,882					
Prev. Day Open Int. 5,315 up 22							

Commodity Indexes

	Close	Previous
Moody's	1,159.50 f	1,160.00 f
Reuters	1,921.30	1,908.90
D.J. Futures	133.19	133.76
Com. Research	241.04	240.58

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

British Consumers Reduce Spending

Reuters

LONDON — Britain's consumer spending fell last month, indicating that government efforts to cut inflation through high interest rates are beginning to have an effect, official figures showed on Wednesday.

But some analysts cautioned that Britain could be headed for a period of economic stagnation following an unexpected fall in manufacturing output in February and an increase in unit labor costs. They pointed out that the lower consumer spending would also contribute to stagnation.

The Central Statistical Office said that provisional March retail sales fell 1.4 percent, which was more than market forecasts. February's retail sales figures had shown a jump of 2.4 percent, which analysts described as a "blip."

"We are seeing that that was a blip and retail sales are about to resume a downward trend that was established for most of the second half of 1989," Keith Skeoch of the London brokerage James Capel told Channel Four television.

He added that the available evidence "points to a further fall in consumer spending in the second quarter. That will be egged on by the recent rise in mortgage rates."

The government has been battling since mid-1988 to bring spending under control, in part by doubling base interest rates to 15 percent. It also is trying to curb inflation, which increased to an 8.1 percent rate last month from 7.5 percent in February.

The government expects that a new community charge, called the "poll tax," will add a further percentage point to April's inflation figures.

But some economists say that estimate is too optimistic, warning that inflation could reach double digits by the end of the year.

Wednesday's data showed that production fell 0.7 percent in February after dropping a revised 0.5 percent in January. The figures also showed per capita output in the three months ended Feb. 28 rose just 1.2 percent from a year earlier.

Deteriorating productivity raises the cost in wages. In the three months to February, wage costs per unit of output jumped 6.8 percent.

Michael Cook, economist at Girozentrale Gilbert Eliott, thought the figures warned of looming stagflation in the next six months.

"We have seen two monthly falls in industrial production," he said. "If we get a third monthly fall, the alarm bells will start ringing."

"We are looking at stagflation and it looks to me like we are almost there," said Ruth Lea, senior economist at Mitsubishi Bank. "Falling manufacturing output and rising cost pressures make it almost inevitable."

Kevin Gardiner, an economist at S.G. Warburg, was less bearish.

The figures "show the economy is slowing, but the rise in unit labor costs still makes inflation, rather than recession, the main worry," Mr. Gardiner said.

Générale Offers Aid To Ex-Munitions Unit

Compiled by Our Staff From Dispatches

BRUSSELS — The Belgian holding company Société Générale de Belgique offered on Wednesday to save from bankruptcy an ailing Belgian munitions company it had sold six months ago to British-based Astra PLC.

The Belgian concern and Astra have traded charges about who is responsible for the poor financial condition of Poudreries Réunies de Belgique, which was a unit of Gechem SA, Générale's chemicals subsidiary.

The issue of responsibility for Poudreries is politically sensitive in Belgium. The company employs some 1,500 workers in the economically depressed Liege region, and is among the last remaining manufacturers of gunpowder and munitions in Belgium.

Générale, which was taken over by a group led by France's Financière de Suez two years ago, has undergone a restructuring, shedding unprofitable operations.

Suez stepped in as a white knight to help Générale fend off a bid by Carlo De Benedetti, the Italian financier, in 1988, promising that it would preserve jobs.

On Wednesday, Générale said that it was ready to make a contribution if the shareholders and creditor banks of Poudreries Réunies de Belgique can agree to a recovery plan.

At the same time, however, the Belgian holding company severely criticized Astra management as "irresponsible" for declining its previous offers of help and for refusing to support Poudreries Réunies financially.

The statement was the latest in an escalating conflict over responsibility for the concern, which Astra bought from Générale's chemicals affiliate, Gechem SA, last September.

Astra bought the powders concern for 65 million Belgian francs ($1.8 million), but assumed all its 1.4 billion francs in debts. Depending on the company's 1989 performance, Astra was to pay another 150 million francs.

Poudreries Réunies, however, lost money in 1989 amid an industry-wide decline in the international arms and munitions market. Gechem, meanwhile, moved back into the black.

Astra has since charged that Gechem did not reveal the true state of the powder concern's situation at the time of the sale, and threatened to sue for damages. *(AP, Reuters)*

EC Commission Drops Plan for Tax Harmony

Agence France-Presse

BRUSSELS — The EC Commission, citing stubborn national resistance, abandoned on Wednesday a 15-year effort to harmonize the taxation of companies throughout the European Community.

"We lost more time than we should have by wanting to harmonize everything," said the executive Commission's official in charge of taxation, Christiane Scrivener.

Instead, she said, the commission will examine less ambitious measures aimed at narrowing differences in national laws so that competition in the single EC market of 1993 will not be hampered by excessive differences in company tax rates.

An "independent" committee will be set up to decide whether new proposals should be put to EC ministers, Mrs. Scrivener said.

Asked to report back within one year, the panel will decide whether market forces will be enough to force national tax rates into line, or whether some small-scale harmonization is necessary.

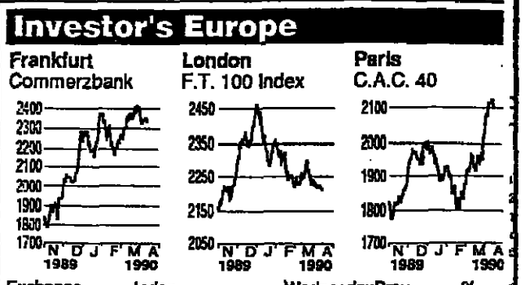
Company taxation now varies widely from state to state within the 12-member EC.

According to Commission figures, the rates on the withholding tax that subsidiaries must automatically pay on profits repatriated to another EC country range from zero percent in Ireland to 30 percent in Denmark.

Mrs. Scrivener said that taxation remained one of the thorniest areas of the single-market plan. She blamed this on the resistance of national governments, and their threat to veto legislation that would take away fiscal sovereignty.

Meanwhile, the 17-member Commission made a new appeal Wednesday to EC ministers to adopt three proposed tax directives, or EC-wide laws, that were first presented in 1969. The ministers are to meet in Luxembourg next Monday.

Investor's Europe



Exchange	Index	Wednesday Close	Prev. Close	% Chang
Amsterdam	CBS General	120.20	197.60	-39.1
Brussels	Stock Index	6122.64	6142.13	-0.32
Frankfurt	Commerzbank	2327.60	2349.50	-0.93
Frankfurt	DAX	1889.76	1914.35	-1.28
Helsinki	UNITAS	596.90	601.50	-0.76
London	Financial Times 30	1732.60	1736.30	-0.21
London	FT-SE 100	2205.90	2214.50	-0.39
Madrid	General Index	276.49	269 91	+2.44
Milan	MIB	1040	1040.00	0.00
Paris	CAC 40	2098.68	2126.34	-1.30
Stockholm	Affaersvaerlden	1131.50	1124.50	+0.62
Zurich	SBS	620.40	621.90	-0.24

Source: Reuters, AFP

International Herald Tribune

Banco Português to Be Privatized

The Associated Press

LISBON — The Finance Ministry unveiled on Wednesday the government's latest privatization plans, which include selling Portugal's largest bank, and announced a squeeze on public administration spending.

Finance Minister Miguel Beleza said the center-right government would continue its sweeping sell-off of state-owned companies by offering 33 percent of Banco Portugues do Atlântico in the first phase of a three-stage full privatization. The first offering will probably be made this fall.

BPA, with its vast retail network and strategic economic interests, is expected to be the showpiece sale of Premier Aníbal Cavaco Silva's privatizations.

In February, the parliament passed a law allowing 100 percent privatization, which freed the government of constraints imposed by a law that permitted only a 49 percent interest in state-run companies to be sold.

The brewer Centralcer would be 100 percent privatized, while a further 31 percent of Banco Totta would be sold, as would the remaining 51 percent holdings in the shipping company Transinsular and the brewer Unicer, Mr. Beleza said.

Last year's privatization offers of 49 percent of Banco Totta and Unicer, which were massively oversubscribed, brought the government 37.9 billion escudos ($254.5 million).

It would be decided on a case-by-case basis whether the 5 percent limit on foreign participation would be maintained for the latest offerings, Mr. Beleza said.

He said the sales would begin "almost immediately" with a public offering of the 51 percent holding in Transinsular.

But if demand failed to cover 95 percent of the offer, he said, the holding would be offered as one block to the highest bidder in a public tender, avoiding complex regulations that reserve a number of shares for small investors, employees and Portuguese emigrants.

The government will hold back 30 percent for later sale if investor interest is lacking, he said.

Mr. Beleza also announced reductions of as much as 30 percent on public administration spending, which rose 37 percent last year and helped send the budget deficit spiraling to about 640 billion escudos.

Air France Earnings Hurt By Strike; Peugeot Gains

Compiled by Our Staff From Dispatches

PARIS — Air France said Wednesday that net consolidated profit for 1989 fell 27 percent, to 841.3 million francs ($148.9 million).

The president of the state-owned airline, Bernard Attali, blamed the downturn in profits in large part on a strike by Air France ground staff from October 1988 to January 1989, which disrupted passenger traffic and ticket sales. The dispute cost the airline an estimated 670 million francs, Mr. Attali said.

He also confirmed that Air France will raise some 2.5 billion francs on capital markets this year to help pay for its purchase of a controlling stake in Union des Transports Aériens.

Separately, the automaker Peugeot SA said its 1989 net profit rose to 10.3 billion francs, a 16.4 percent increase.

The company was hit last autumn by a bitter strike at two of its plants in eastern France. The chairman, Jacques Calvet, said the strike had cost Peugeot an estimated 3.5 billion francs.

But analysts said a buoyant European car market and the company's successful 1989 launch of two new executive market models, the Citroën XM and the Peugeot 605, helped it increase its earnings. *(UPI, Reuters)*

BERLIN: *Conflict Over Subsidies*

(Continued from first finance page)

ment's economics ministry. "We can't say when, how or if they will happen."

For the moment the subsidies are vital to West Berlin's economic health. While its gross inland product — the broadest measure of the city's economic performance — grew by a robust 3.5 percent in 1989, problems remain. The unemployment rate is about 10.2 percent, well above the West German national average of 8.2 percent.

While unemployment fell slightly last year from 1988, the outlook for further improvement is clouded by the steady arrival of East German immigrants and ethnic Germans from Eastern Europe. At the end of 1989, there were 20,000 unemployed East Germans and immigrant Germans in West Berlin, up from 11,500 at the end of 1988, a city official said.

That development has worsened an already acute housing shortage and helped push rents and real estate prices higher. It also has swollen the welfare rolls, forced down wages for unskilled labor and added to the flourishing black market, thus reducing tax revenues.

Unity and an economic boom might ease some of those problems.

"If there is unity, then Berlin, not East or West but Berlin, becomes a very attractive place for investment," Mr. Heuer said. "Once the infrastructure problem is solved you will see a development process similar to that of Frankfurt, Stuttgart, Munich or other West German cities."

"We have very great hopes, but I don't yet dare to think of when we can do without the subsidies," said Hans Georg Otto, head of the Economic Development Council of West Berlin.

OIL: *Producer Promises Fail to Shore Up Sliding Prices*

(Continued from first finance page)

their full cooperation in stabilizing oil prices."

Mr. Verzi pointed out that before these two countries, other major oil producers in the Persian Gulf region — such as Iraq, Iran, and Saudi Arabia — followed similar tactics of overproduction to secure or preserve their large share of the OPEC production pie.

Commenting on the communiqué issued at the end of the meeting, a number of oil traders described it as "bland" and "ridiculous." Many analysts noted that the three countries represented at the meeting account for most of the excess OPEC production that is destabilizing the oil markets.

OPEC's official ceiling was set at 22 million barrels a day in November, but last month the cartel's 13 members were pumping close to 24 million barrels a day.

One OPEC official from an Arab country that is deeply distressed by the impact of falling oil prices said the "lack of convincing actions" by the three big Arab oil producers may push OPEC to hold an emergency meeting "sometime between April 22 and 24," at least a month before a scheduled OPEC meeting set for May 25 in Geneva.

Hill Samuel Buys Atlanta Fund Manager

Compiled by Our Staff From Dispatches

LONDON — Hill Samuel Investment Management Group said Wednesday that it had acquired Atlanta Capital Management Co., bringing Hill Samuel Investment's funds under management in the United States to more than $10 billion.

Hill Samuel Investment is the institutional investment management subsidiary of TSB PLC. Atlanta Capital Management, an investment management firm operating in the southeastern United States, has $1.6 billion under management.

Hill Samuel Investment did not disclose how much it had paid for Atlanta Capital.

The U.K. company said it was its second major U.S. acquisition. In 1986 it acquired Minneapolis-based Investment Advisors Inc., whose funds under management have since tripled to $7.6 billion.

Neville Bowen, chief executive of Hill Samuel Investment, said its strategy was to develop "a substantial presence" in the United States and Japan. *(Reuters, UPI)*

NASDAQ

Wednesday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

AMEX

Wednesday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect trades elsewhere. *Via The Associated Press*

ADVERTISEMENT

INTERNATIONAL FUNDS

Quotations supplied by funds listed. Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price. The marginal symbols indicate frequency of quotations supplied: (d) – daily; (w) – weekly; (b) – bi-monthly; (r) – reguarly; (†) – twice weekly; (m) – monthly

April 18th, 1990

Be sure that your fund is listed in this space daily. Telex Simon OSBORN at 613595F for further information.

Brierley Investments Seeks Majority Stake in Telecom

Compiled by Our Staff From Dispatches

WELLINGTON — Brierley Investments Ltd. said Wednesday that it was seeking antitrust approval to buy a majority interest in the state-owned Telecom Corp. of New Zealand.

BIL's chief executive, Bob Matthew, said in a statement that he did not foresee any difficulty with the application to New Zealand's Commerce Commission.

"BIL has no significant telecommunication industry involvements within New Zealand or overseas," Mr. Matthew said. "We therefore expect that Commerce Commission approval will be forthcoming within the next 20 working days."

The government said on March 20 that it would sell Telecom but would retain a "Kiwi share" to protect the country's strategic interests.

The sale of Telecom, which is part of a continuing privatization program by the Wellington government, would include a public share float on the local market of at least 500 million New Zealand dollars ($289.5 million) and proceeds from the sale would be used for reduction of public debt.

If BIL succeeds in its offer for Telecom Corp., it would mark the second New Zealand privatization in which the investment group has taken a large stake.

Brierley Investments owns some 35 percent in Air New Zealand, the country's national carrier, which was privatized last year. Mr. Matthew is also the airline's chairman.

Other Air New Zealand shareholders include the Australian airline Qantas, American Airlines and Japan Air Lines. Qantas on Wednesday denied a published report that it planned to sell its stake to British Airways PLC.

Mr. Matthew said that his company was considering a similar configuration for the telecommunications concern.

"While BIL may well seek to, in its own right, acquire a significant shareholding in Telecom, we are also having discussions with a number of overseas parties who have a genuine interest in investing in Telecom," he said.

He said it was possible BIL would join with one or more overseas firms, which are already directly involved in the telecommunications industry.

The government has set a ceiling of 49.9 percent for foreign investors in the concern, but has said it would be willing to surrender a majority stake to a group which included foreign buyers.

"During the next few weeks we will progress further the various opportunities for BIL to undertake a Telecom bid in association with other interested parties," Mr. Matthew said.

His remarks came as the state-owned enterprises minister, Richard Prebble, said that potential bidders for a strategic stake in Telecom had moved to the due diligence stage. Due diligence allows a bidder access to confidential accounts. But the minister declined to disclose the names of the bidders.

Telecom is expected to be floated by September on the New Zealand and Australian Stock Exchanges.

(Reuters, AFP)

Pepsi Cola Leads Way To Operate in Burma

The Associated Press

BANGKOK — Pepsi Cola International Ltd. has signed an agreement to operate in Burma for the first time and hopes to begin production by the end of the year, an executive said Wednesday.

Barry Shea, the company's vice president for Southeast Asia, said Pepsi would beat its arch rival Coca Cola Co. into the Burmese market, which has been largely off-limits to Western corporations for the past 28 years.

Last September, Burma's official press announced the signing of a joint-venture agreement between Coca Cola and the state foodstuffs corporation. But Coca Cola has since denied any business presence in the country and said the reports were inaccurate.

Human rights groups and dissidents have been strongly critical of companies that invest in Burma. They say they help perpetuate an oppressive political system.

The military government announced a freeing of the state-fettered economy after it seized power in Sept. 1988 by crushing a mass uprising for democracy and killing hundreds of people. It has strongly curtailed political freedoms since then.

Mr. Shea was unwilling to comment on the human rights issue. "Obviously we like to stay out of politics," he said.

He said the agreement to produce in Burma was signed in March with a private partner, and the new company would be called Pepsi Cola Products Myanmar (Burma) Ltd. Pepsi Cola International had a 35 percent share in the venture, he said.

The company is building a factory on the outskirts of the Burmese capital of Rangoon, and the project would cost between $2 million and $3 million, he said. "We hope to be up and running by the end of the year," he added.

Goh Is Latest To List Stock In Singapore

Reuters

SINGAPORE — G.K. Goh Holdings Ltd. announced Wednesday it plans to offer shares to the public, making it just the latest in a series of local companies seeking stock-market listings in Singapore.

Goh, which owns the stockbrokers G.K. Goh Stockbroking Pte., will be the fourth company to seek listing on the Stock Exchange of Singapore this year. Broking sources said at least three other local firms are likely to go public soon. In all of 1989, only three companies were listed on the main board.

Goh said it would offer 50 million new shares to the public at about one Singapore dollar (53.2 cents) each by the end of April or early May.

General Magnetics Pte., an audio and video manufacturer, is planning to offer 25 million shares with a face value of 20 cents shares at one dollar each, brokers said.

Hotel Plaza Ltd. and the shipping group Pacific Carriers Pte. are also seeking a listing, brokers said. Officials of the companies were not available for comment.

Despite sluggish stock prices in recent weeks, strong local fundamentals have underpinned investors' confidence of investors in the local bourse, share analysts said.

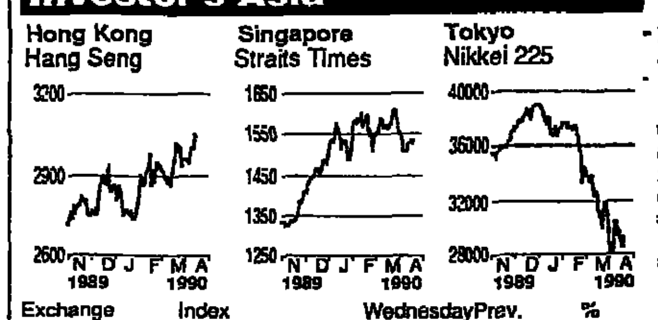
New issues are likely to be well received by local investors because the SES lost more than half its listings when 182 Malaysian-incorporated companies pulled out from the local bourse last year.

Recent public share offers received a good response.

Kim Eng Holdings Ltd., a local stockbroking firm, was the first company to list its shares on the main board this year. Its public offer of 45 million shares at 65 cents each attracted a record 23 billion dollars in application money.

The Development Bank of Singapore Ltd. said Wednesday that another issue, by Pan Pacific Publication Ltd., was oversubscribed 19-fold.

Investor's Asia



Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	3052.35	3020.44	+1.06
Singapore	Straits Times	1534.11	1525.98	+0.53
Sydney	All Ordinaries	1501.40	1499.20	+0.15
Tokyo	Nikkei 225	29249.06	28461.60	+2.77
Kuala Lumpur	Composite	550.39	553.26	-0.52
Bangkok	Book Club	726.67	733.44	-0.92
Seoul	Composite Stock	781.53	796.56	-1.89
Taipei	Weighted Price	8994.40	9419.32	-4.51
Manila	Composite	1094.52	1096.77	-0.21
New Zealand	Barclays	1717.50	1731.85	-0.81
Bombay	National Index	N.A.	407.31	-

Source: AFP

International Herald Tribune

Hong Kong Property Firm Shifts Domicile to Bermuda

Reuters

HONG KONG — Kwong Sang Hong Ltd., a property investment firm partly owned by Li Ka-shing's flagship Cheung Kong (Holdings) Ltd. and controlled by Peregrine International Holdings Ltd., will shift its domicile to Bermuda, directors said Wednesday.

Stockholders on Tuesday approved a plan to make the investment firm a wholly owned unit of a Bermuda-incorporated holding company and to change its Hong Kong stock market listing to Kwong Sang Hong International Ltd., Peregrine said.

Peregrine, a private investment banking company, is incorporated in the Cayman Islands and owns 33.1 percent of Kwong Sang Hong. Cheung Kong has an 8 percent stake in Kwong Sang Hong, which it purchased in May 1989.

Shares and warrants in the original Kwong Sang Hong would be cancelled, Peregrine said. Shareholders are to receive five shares in the new Bermuda-domiciled company for each Kwong Sang Hong share, with warrants transferred on a one-for-one basis.

Marine Midland's Profit Plunges

Reuters

HONG KONG — Marine Midland Bank Inc., the U.S. unit of Hongkong & Shanghai Banking Corp., said its restructuring program accounted for the sharp drop in its net profit for the first quarter, to $6 million, from $40.2 million.

The restructuring, involving the streamlining of operations, a business repositioning and a balance-sheet reduction, contributed to a drop in total assets to $25.7 billion from $26.8 billion a year earlier.

The sale of investments in Society Corp. and First Pennsylvania Corp., yielded gains of $20 million and $9 million, respectively.

Other major elements of the restructuring involved:

- The sale of Marine Midland's merchant credit-card processing business, yielding a gain of 3.2 million.
- The sale of a $160 million portion of its national education-loan portfolio, yielding a gain of $3.9 million.
- A provision of $31 million to cover staff reduction costs and out-of-state office closures.

The bank's provision for loan losses in the first quarter was $80 million, compared to $54 million a year ago and $263.3 million in the previous quarter.

The amount set aside for loan-loss reserves for loans other than to refinance less-developed countries was increased to 2.04 percent of those loans, up from 1.04 percent a year earlier.

The bank blamed a weak commercial property market for most of the $288 million rise in nonperforming loans over the year.

A bank statement said that on March 31, estimated Tier One capital was 4.1 percent of risk-adjusted assets, compared with 3.72 percent a year earlier, and 3.77 percent on Dec. 31, 1989. These numbers are watched to gauge compliance with capital-adequacy guidelines.

A Hongkong Bank commitment to maintain its U.S. unit's capital has been extended from the end of 1990 to 1992, Marine Midland said. Hongkong Bank has pledged to support a minimum Tier One capital ratio of five percent, which is above regulatory guidelines of four percent for 1992.

MILKEN: *Choice Is to Cut Costs or Seek Vindication*

(Continued from first finance page)

ment is probably a dispute over the price that Mr. Milken would pay: How many years in prison, how many hundreds of millions of dollars in fines or other penalties, and how much future cooperation with the government.

Another of the uncertainties is the judge in the case, Kimba Wood, who has little experience in such trials. Neither the prosecution, led by Assistant U.S. Attorney John K. Carroll, nor the defense, headed by Arthur L. Liman, Senate counsel at the Iran-contra hearings and one of the nation's most prestigious lawyers, can predict how stiff a sentence she might impose.

By all accounts, Mr. Milken has to expect that the penalty resulting from a plea bargain would be more severe than the three-year sentence and $100 million fine given to Ivan F. Boesky, the flamboyant arbitrageur who cut a highly publicized deal with prosecutors in 1986.

He was recently released after completing two years of his sentence.

Mr. Boesky's decision to cooperate with the government, in return for the right to plead guilty to only one count, of lying to federal regulators, laid the groundwork for the case against Mr. Milken and several other Wall Street defendants.

From the prosecutors' point of view, experts say, a bargain with Mr. Milken would have to provide for a stiffer sentence, because it is important that Mr. Boesky be rewarded for having been among the first to settle with the government. Otherwise, there would no incentive in future cases for people to cooperate rather than go to trial.

"There's an old maxim that the first person to the courthouse gets a better deal," said Stanley S. Arkin, a prominent litigator in regulatory and economic crime cases.

In cases like Mr. Milken's, the prosecution usually is willing to accept a plea bargain, in part because of the risk of obtaining a guilty verdict from a jury possibly confused by the intricacies of securities law.

"If prosecutors have a certainty of conviction through a plea bargain, they are usually happy," said an attorney, who asked to remain unidentified, specializing in securities law.

Many observers who have followed the case believe that Mr. Milken was, at first, inclined to go to trial rather than settle, because he and his attorneys believed that it would be relatively easy to discredit the hostile testimony of Mr. Boesky, a confessed felon.

"Boesky has admitted to doing so many corrupt, illegal, immoral things, that any decent defense lawyer would have a field day with him," the securities law attorney said.

In the last year, however, the government has gradually built up a stronger case, based on testimony from a number of witnesses in addition to Mr. Boesky, experts said.

"I think gradually," said John C. Coffee Jr., a professor who teaches securities and criminal law at Columbia University, Mr. Milken's "attorneys have realized that the evidence against him has grown."

Some observers say they think the government is driving a particularly hard bargain with Mr. Milken because the prosecution would look bad if it appeared to back down against its most celebrated defendant.

A related theory, the subject of considerable speculation among lawyers who specialize in the field, is that a settlement has been impeded by difficulties in reaching an overall package that would simultaneously resolve civil as well as criminal charges against Mr. Milken.

Without a satisfactorily comprehensive settlement, Mr. Milken might face losing much of his fortune in civil suits even after serving a prison sentence, legal experts said.

"Even if the worst happens, he's not going to jail for the rest of his life," said a lawyer who has followed the case. "The question is: When he comes out, what's going to be left for him."

As Mr. Arkin, a veteran litigator, noted: "The bottom line of it all is: Are you guilty in your mind and heart? If you don't feel guilty, I think it's very difficult to plead guilty."

Freeman Given Prison Term, $1 Million Fine

New York Times Service

NEW YORK — Robert A. Freeman, the former head of risk arbitrage and a partner at Goldman, Sachs & Co. has been sentenced by a federal judge in Manhattan to four months in prison and fined $1 million for insider trading.

Judge Pierre N. Leval imposed the sentence Tuesday after a prosecutor suggested imprisonment of two to three years.

Mr. Freeman agreed to plead guilty to one count of mail fraud and admitted receiving a tip on Jan. 8, 1986, from Martin A. Siegel, an investment banker working on a leveraged buyout of Beatrice Companies Inc., then using that information to execute various trades.

Mr. Siegel, who has yet to be sentenced on two felony counts, was implicated by Ivan F. Boesky.

Mr. Freeman, 47, faced a maximum of five years in jail and a fine of $250,000.

He still faces civil charges by the Securities and Exchange Commission. He will begin serving his sentence in June.

The Global Newspaper.

Weekly net asset value

Leveraged Capital Holdings N.V.

on 12-04-1990 U.S. $337.77

Listed on the Amsterdam Stock Exchange

Information:
Pierson, Heldring & Pierson NV
Rokin 55, 1012 KK Amsterdam.
Tel + 31-20-5211188.

DEAN WITTER WORLD WIDE INVESTMENT TRUST S.A.

société anonyme d'investissement

Registered Office: 14, rue Aldringen, Luxembourg

Commercial Register: Section B n° 21.325

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

The annual General Meeting of shareholders of DEAN WITTER WORLDWIDE INVESTMENT TRUST S.A. will be held at its registered office in Luxembourg, 14, rue Aldringen, on April 27th, 1990 at 14:00 o'clock for the purpose of considering and voting upon the following matters:

1. **To hear and accept:**
   a) **the management report of the directors**
   b) **the report of the auditor.**
2. **To approve the balance sheet and the profit and loss account for the year ended December 31st, 1989.**
3. **To discharge the directors and the auditor with respect to their performance of duties during the year ended December 31st, 1989.**
4. **To elect Mr. Barry MELTON as a director in replacement of Mrs. Christine DOWNTON who resigned.**
5. **To elect Mr. Tadashi HAGI as a director in replacement of Mr. Yasuyoshi FUJISAKI who resigned.**
6. **To elect the directors to serve until the next annual general meeting of shareholders.**
7. **To elect the auditor to serve until the next annual general meeting of shareholders.**
8. **Miscellaneous.**

The shareholders are advised that no quorum for the statutory general meeting is required and that decisions will be taken at the majority of the shares present or represented at the meeting.

The Board of Directors.

FOCUS ON 1990:

Emphasis on risk management

In these times of rapid change, preparation for a broad range of possible future developments is essential. That's why banking is, more and more, about risk management. As a client-driven bank, DGZ has geared its service capabilities to help its customers meet these challenges: We put emphasis on risk management products.

In 1989, DGZ's lending volume to domestic and international clients rose a healthy 4.3 percent to DM 26.6 billion. Playing a focal part in our asset and liability management, our money market, forex and securities operations contributed significantly to the solid performance.

Financial Highlights (DM million)	1989	1988
Total Assets	43,970	41,741
Due from Banks	16,470	15,132
Debentures and Bonds	6,277	6,655
Receivables from Non-Bank Clients	19,072	17,819
Deposits by Banks	15,833	16,833
Deposits by Non-Bank Clients	3,343	3,118
Own Debentures in Circulation	22,708	19,621
Capital and Published Reserves	785	780
Net Interest and Commission Income	220	243
Operating Income	146	168
Net Profit	30	30

Deutsche Girozentrale ·Deutsche Kommunalbank·

FRANKFURT BERLIN

Taunusanlage 10, D-6000 Frankfurt am Main 1, Telephone: (069) 2693-0, Telex: 414168; Kurfürstendamm 32, D-1000 Berlin 15, Telephone: (030) 8812096, Telex: 183353; Luxembourg Branch: 16, Boulevard Royal, L-2449 Luxembourg, Telephone: 474360, Telex: 3101; DGZ International S.A.: 16, Boulevard Royal, L-2449 Luxembourg, Telephone: 462471-1, Telex: 2841

NYSE

Wednesday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued)

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M. Chge
[illegible]									

U-V

W

X-Y-Z

SPORTS

NHL Division Finals: Oilers Seek Revenge Against Upstart Kings

By Joe LaPointe
New York Times Service

NEW YORK — With eight games remaining in the National Hockey League playoffs and the defending champion Calgary Flames eliminated, this spring's Stanley Cup tournament is running over with legitimate contenders as the second of four rounds began Wednesday night.

Even the Ranger-obsessed fans in Manhattan might admit that the Patrick Division final between New York and the Washington Capitals deserves less than top billing, at least west of the Hudson and the Potomac rivers.

The sizzle goes to the Edmonton Oilers and the Los Angeles Kings, which opened the Smythe Division final Wednesday night in Alberta's provincial capital.

The Kings finished fourth in the Smythe with a sub-.500 record and were 15th overall in the league. But they upset the first-place Flames in seven games and seem to be peaking at the right time.

In the Norris Division, goaltending questions dominate, with a crucial injury and a revenge motive marrying the St. Louis Blues as they meet the Chicago Blackhawks.

In the Adams, the Montreal Canadiens — tested, rested and first in the net — await the Boston winner.

In the Patrick, the first-place Rangers must be at least a slight favorite against the Capitals, the highest-ranked Wales Conference team still active.

The Smythe final, with Wayne Gretzky's current team against his old team, offers a rematch of last season's first round, during which the Kings lost three of the first four games before upsetting Edmonton, then the defending champion.

"I don't think we've forgotten how they beat us last year and how much enjoyment Wayne got out of it," said John Muckler, the Edmonton coach.

Gretzky's injured back, which kept him out of the first two games of the six-game Calgary series, is much improved, and he will have had three days of rest between the first and second rounds.

In his four games against Calgary, he scored nine points, the most on his team. During one game, he even signaled the referee to stop play and call a penalty against the Flames for too many men on the ice. This guy does it all.

Gretzky's linemates are Tony Granato and Tomas Sandstrom, acquired in a midseason deal from the Rangers for Bernie Nicholls. Against the Flames, Granato had eight points and Sandstrom seven.

The Oilers, who lost three of the first four games to the Winnipeg Jets, didn't clinch the series until Monday and may be tired.

"This series was the toughest I've ever been associated with," Muckler said of his team's battle against the Jets.

In eight games against Los Angeles this year, the Oilers were 4-2-2. Their last meeting, on Feb. 28, featured 356 penalty minutes, which is almost six for every one actually played. In five of the last six years, a Smythe Division team has won the Stanley Cup.

The Norris final, whose winner will meet the Smythe winner in the Campbell Conference final, features a dramatic figure in Chicago's Greg Millen, a goaltender for the Blues in 1984-85 until early this season, when he was traded to Quebec. He balked at the move to the Nordiques and played only 18 games with them before landing back in the Norris Division with the Blackhawks.

"I'm not bitter toward St. Louis," Millen said after Chicago eliminated Minnesota. "They're friends off the ice, but on the ice, they are enemies."

The Blues bring the sharpshooting of Brett Hull, who had five goals and five assists in a five-game elimination of Toronto. Their problem could be in goal, where Curtis Joseph has a shoulder injury.

Pat Jablonski has been called up from Peoria to back up Vincent Riendeau.

In the Adams Division, Montreal wins by boring audiences and frustrating foes. In the net, Patrick Roy has a goals-against average of 2.10. Chris Chelios, Montreal's best defenseman, is skating again but is still out with a knee problem.

On defense, Petr Svoboda anchored a young crew in a six-game elimination of Buffalo. Stephane Richer remains a scoring threat, with seven points in the first series.

But the Canadiens aren't a team with great flair and personality. The biggest ovation at the Forum in Montreal last week went to Pat Burns, the coach, when he walked across the ice for a television interview.

Montreal made it to the finals last year, however, and has a good chance to advance at least another round this spring.

As for the Patrick, the Rangers are satisfied with the midseason deal that brought Nicholls coast to coast. Now that Granato and Sandstrom are free of injury and producing for Los Angeles, it might be a trade that helps both teams, with a fascinating conclusion possible.

NHL Playoff Schedule

(Series are best of seven games. Ending dates only if series goes seven games.)

DIVISION FINALS
Wales Conference
April 19-May 1
Patrick Division
Washington Capitals vs. New York Rangers
Adams Division
Montreal Canadiens vs. Boston Bruins
Campbell Conference
April 18-April 30
Norris Division
St. Louis Blues vs. Chicago Blackhawks
Smythe Division
Los Angeles Kings vs. Edmonton Oilers

CONFERENCE FINALS
Wales Conference
May 3-May 15
Campbell Conference
May 2-May 14

STANLEY CUP FINALS
May 16-May 31

Bruins Eliminate The Whalers, 3-1

New York Times Service

BOSTON — Inspired by the return of their injured captain, Ray Bourque, the Boston Bruins triumphed, 3-1, Tuesday night and eliminated the Hartford Whalers in the seventh game of their Adams Division semifinal series.

The Bruins will open the four-of-seven-game division final series against the Montreal Canadiens here Thursday night.

Bourque's last appearance was in the second game of the series, when he suffered a bruised left hip with less than a minute left in that game.

In Game 7, Bourque had an assist and was on the ice for all three Boston goals.

John Byce, from the University of Wisconsin, who made his National Hockey League debut Sunday in Game 6, scored his first NHL goal 1 minute, 30 seconds into the game Tuesday. Craig Janney scored the second six minutes later, giving the Bruins a 2-0 lead.

5 Teams Scramble For Final 3 Berths In NBA Playoffs

The Associated Press

Thirteen of the 16 National Basketball Association playoff berths are filled as the regular season winds up this week.

The Seattle SuperSonics had a chance Tuesday night to hold onto a tie for the final slot in the Western Conference, but Magic Johnson would not hear of it.

Johnson hit a running one-hander from 17 feet with eight-tenths of a second left for a 102-101 Lakers victory.

"That's a heartbreaker," Nate McMillan of the Sonics said. "I've seen him do this on TV to other guys. You never dream it's going to happen to you."

The loss knocked Seattle out of an eighth-place tie in the West. With just three games remaining, the Sonics are a game behind the Houston Rockets, which beat Sacramento, 112-97.

Houston overcame the third-quarter ejection of Akeem Olajuwon to win; he was ejected after a shoving match with Greg Kite.

The Dallas Mavericks were boosted into a playoff spot Tuesday by virtue of the Lakers victory, and in celebration, Dallas went on to defeat the Utah Jazz, 97-96.

The Sonics must finish ahead of the Rockets in the final standings to make the playoffs, because the Rockets have a better record in conference games.

So in the West, Denver and Houston remain in the seventh and eighth spots in the playoff race standings, while Seattle hangs on in ninth.

The top eight teams in each conference make the playoffs.

Denver stayed in seventh as Fat Lever scored 10 of his 21 points in the final 4:44 against Minnesota for a 99-89 victory Tuesday night. The loss in Minnesota's home finale disappointed 49,551 fans at the Metrodome. It was the third-largest crowd in NBA history and allowed the Timberwolves to pass the Pistons' NBA record with a season attendance of 1,072,572. Detroit drew 1,066,505 to the Silverdome in 1987-88.

Already eliminated in the Western Conference playoff races are Sacramento, the Los Angeles Clippers, Golden State, Minnesota and Charlotte.

The Lakers have clinched the conference title in the West.

Only two teams, the Cleveland Cavaliers and the Atlanta Hawks, have a chance to land the eighth playoff spot in the Eastern Conference.

The Cavaliers stayed a half-game ahead of Atlanta, beating the Milwaukee Bucks, 96-88. The Hawks must finish a game ahead of Cleveland because the Cavaliers won their regular-season series.

The Hawks won Tuesday, 118-95, over the New Jersey Nets. Dominique Wilkins scored 36.

The Detroit Pistons have clinched the conference title. Those already eliminated from the playoffs are Washington, New Jersey, Miami and Orlando.

NBA Playoff Races

(Top 8 in each conference qualify. Division winners seeded 1-2 regardless of record.)

EASTERN CONFERENCE

	W	L	Pct.	GB
x-Detroit	57	22	.722	—
z-Chicago	54	25	.684	3
z-Philadelphia	51	28	.646	6
z-Boston	49	30	.620	8
z-New York	45	34	.570	12
z-Milwaukee	42	36	.525	15½
z-Indiana	41	38	.519	16
Cleveland	39	40	.494	18
Atlanta	39	41	.488	18½

(x-clinched conference title)
(z-clinched playoff berth)

GAMES REMAINING

ATLANTA (2) — HOME (1): 21, Miami. AWAY (1): April 20, New York.
CLEVELAND (3) — HOME (1): April 22, New York. AWAY (2): April 18, New Jersey; 20, Orlando.

WESTERN CONFERENCE

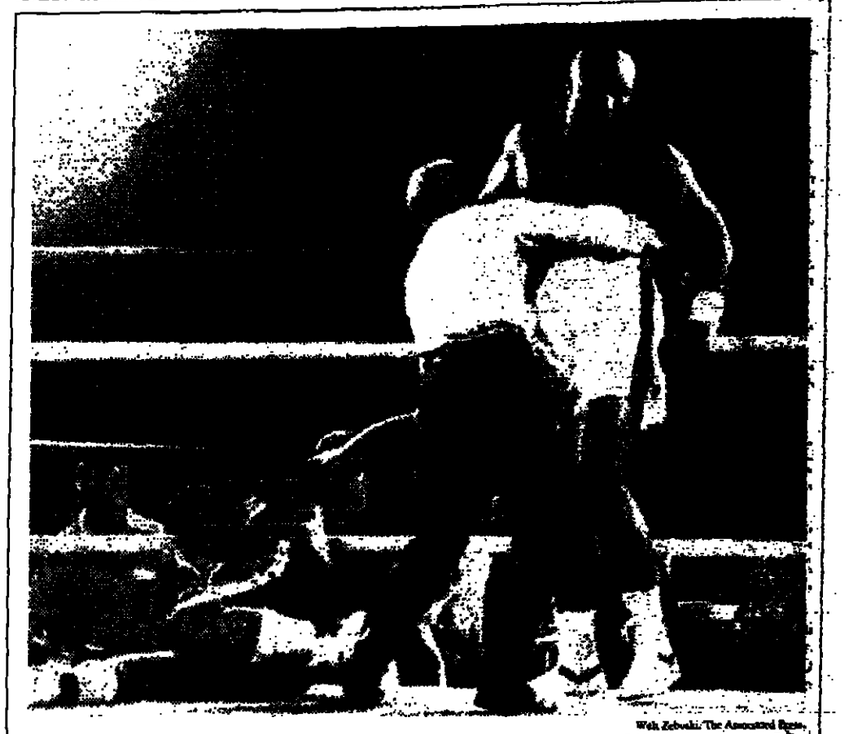
	W	L	Pct.	GB
x-L.A. Lakers	61	18	.772	—
z-Portland	56	22	.709	5
z-Utah	54	25	.684	7
z-Phoenix	53	26	.671	8
z-San Antonio	53	26	.671	8
z-Dallas	44	35	.557	17
Denver	41	38	.519	20
Houston	40	39	.506	21
Seattle	39	40	.494	22

(x-clinched conference title)
(z-clinched playoff berth)

GAMES REMAINING

DENVER (3) — HOME (2): April 20, San Antonio; 22, Minnesota. AWAY (1): April 19, Houston.
HOUSTON (3) — HOME (2): April 19, Denver; 22, Utah. AWAY (1): April 20, Dallas.
SEATTLE (3) — HOME (1): April 20, L.A. Clippers. AWAY (2): April 18, Sacramento; 22, Golden State.

SIDELINES



With Zebuski/The Associated Press

EASY PREY — George Foreman walking away from his latest patsy, Mike Jameson, after knocking him out in the fourth round of their scheduled 10-round bout Tuesday in Nevada. Foreman, 42, has won 20 of 21 comeback fights by knockout — almost all of them against non-threats like Jameson, who had not fought in three years and wasn't very good then, going 17-14.

Basketball Final Could Be 'Rough'

ZARAGOZA, Spain (AP) — The FC Barcelona-Jugoplastika final for the European Champions' Cup basketball title Thursday will be won in a mean war under the boards.

"It's going to be rough," Barcelona's American center, Audie Norris, said Wednesday following his team's 104-83 rout Tuesday against Aris Saloniki of Greece.

But Dino Radja, the Jugoplastika center, is not worried. "Let's just say it's not going to be a very nice game," he said. "The number of fouls could be decisive." Jugoplastika, the Yugoslav champions, outclassed Limoges of France, 101-83, in the second semifinal Tuesday.

Tax Bill Could Force Sale of Bears

CHICAGO (AP) — The Internal Revenue Service contends that the Halas family, owners of the National Football League's Chicago Bears, owes about $43.5 million in gift and inheritance taxes. With penalties and interest, the tax bill could surpass $50 million, a sum the family could pay only by selling the team, according to a report published in The National.

Virginia Halas McCaskey, daughter of Bears founder George Halas, and Michael McCaskey, Halas's grandson and president of the team, have challenged the assessments in U.S. Tax Court.

Ballard Leaves His Estate to Charity

TORONTO (UPI) — Harold Ballard, the late Toronto Maple Leafs owner, willed most of his $100 million empire to charity, it was revealed Wednesday. He died last week at age 86.

Ballard willed control of Harold E. Ballard Ltd., which owns 80 percent of the shares of Maple Leaf Gardens, to a three-man trust composed of associates Donald P. Giffin, Steve Stavro and Donald Crump.

Wimbledon Pot Passes $6 Million

LONDON (Reuters) — The All England Club announced Wednesday that prize money for the Wimbledon tennis championships this year will grow to £3.87 million ($6.4 million), an increase of 23 percent from 1989.

The men's singles champion will receive $379,500, $65,200 more than last year, while the women's winner will collect $341,550, a rise of $58,700.

The increase, benefitting even first-round losers, puts Wimbledon on top of the tennis prize-money list.

For the Record

The comedian Bill Cosby has agreed to donate $150,000 from two benefit concerts to pay for next year's Penn Relays, one of the premier collegiate track events in the United States. *(AP)*

BOOKS

SIMONE DE BEAUVOIR: A Biography

By Deirdre Bair. Illustrated. 718 pages. $24.95. Summit Books, 1230 Avenue of the Americas, New York, N. Y. 10020.

Reviewed by Herbert Mitgang

ALL at once, Deirdre Bair's life of Simone de Beauvoir is an intellectual and romantic love triangle (de Beauvoir, Jean-Paul Sartre, Nelson Algren); a glimpse of those who joined the Résistance in wartime Paris while others were mainly concerned with their comforts — including, surprisingly, de Beauvoir; a record of the internecine rivalries between the Existentialist philosophers in the postwar years, and an essential study of the modern feminist movement told through the personality of the author of "The Second Sex."

"Simone de Beauvoir" is an exhaustive and at times exhausting biography. Bair is a dedicated researcher and a daring writer. She had many interviews with her subject in the five years before de Beauvoir's death in 1986, giving her biography new insights.

As a reference work, "Simone de Beauvoir" can be considered definitive. Its details may overwhelm general readers. Her book isn't just a love letter, but a fair-minded and often skeptical appraisal of de Beauvoir's life.

De Beauvoir's relationship with Sartre dominates the biography. "Sartre gave Simone de Beauvoir something no one, not even her sister, had ever given her before — his undivided attention," Bair says. "Also, equally — and perhaps even more importantly — from the beginning their passion was primarily verbal. 'Perhaps,' Simone de Beauvoir mused only weeks before her death, 'that was why it lasted so long.'"

Much of the most original material relates to the Existentialists and Albert Camus, whose novels, "The Stranger" and "The Plague," were destined to receive greater international acclaim than the fiction of Sartre and de Beauvoir.

Camus emerges as both friend and rival. De Beauvoir told Bair that he had a simplistic mind in politics, ethics and philosophy; that he wrote well but was not profound; that Sartre was a true philosopher and Camus was a pure journalist, a journalist who was also a "bit of a writer."

Bair reveals that de Beauvoir received a handsome salary as a writer and producer for the German-controlled French radio in wartime Paris. As late as 1985, she tried to explain it away, saying that she only prepared material on the Middle Ages. Bair writes, "She glossed over it in her memoirs, always resented being questioned about it, and was furious whenever she learned of a scholar or journalist who wrote about it."

Nelson Algren emerges as a more important presence in de Beauvoir's life than he himself admitted to his American friends. She admired his "Man With the Golden Arm" and was fascinated by the underside of American life that he showed her when she visited Chicago.

Bair says, "They became lovers almost at once, and with him, she remembered, she had her 'first complete orgasm' and she learned 'how truly passionate love could be between men and women.'" Their relationship foundered after she declined to leave France and Sartre and live with Algren in Chicago; but she never took off the ring he gave her.

De Beauvoir dedicated "The Mandarins" to Algren, who appears as a fairly undisguised character in that novel. More significant, Algren was responsible for a particularly American slant to "The Second Sex." It was Algren who first suggested that she conduct her study of women in light of the experience of black Americans in a prejudiced society, Bair discloses, and he introduced her to contemporary literature on the subject.

In a final threnody, Bair says that despite de Beauvoir's often troubled emotional life she was a woman who lived on her own terms. Above all, Bair writes, "She was largely responsible for creating the current feminist revolution that changed the lives of half the human race in most parts of the world, and to the end of her days she was eager to challenge any nation or individual that interfered with the rights of women."

Herbert Mitgang is on the staff of The New York Times.

BRIDGE

By Alan Truscott

THE player who can bring home a difficult slam will always be a popular partner and teammate. To find out whether you are entitled to plaudits, plan the play in six spades on the diagramed deal with the East-West cards concealed. If you make the normal play of drawing two rounds of trump immediately, you will find that East has a singleton and West has a winner. Consider how you will guard against a singleton club in the West hand, and look at the complete diagram and see whether your play would have succeeded. The deal is taken from The Bridge World, which is the oldest continuously published periodical about the game. Its monthly issues contain a treasure trove for the browsing enthusiast. A small browse can be secured by sending $5 to the editors at 39 West 94th Street, New York, N.Y. 10025. They will send you six assorted back issues. After South draws a second round of trump, he should test clubs. All will be easy unless the suit breaks badly. It does: West discards a diamond on the second round, and South must find a way to maximize his chances. He can succeed if either red-suit finesse succeeds, and he should look for a way to have both chances rather than commit himself to one. The solution, not obvious, is to throw the diamond jack on dummy's remaining club winner. If West ruffs, West will have to lead a diamond, and that finesse can be tried with the heart finesse in reserve. If West does not ruff, he is given the lead with a trump with similar effect.

NORTH
♠K32
♡A53
♢AQ
♣KQ643

WEST
♠QJ10
♡QJ98
♢K97532
♣10

EAST
♠9
♡976
♢10864
♣J9875

SOUTH (D)
♠A87654
♡KJ42
♢J
♣A2

Both sides were vulnerable. The bidding:

South	West	North	East
1♠	Pass	2♣	Pass
2♠	Pass	3♢	Pass
3 N.T.	Pass	4♡	Pass
5♣	Pass	5 N.T.	Pass
6♠	Pass	Pass	Pass

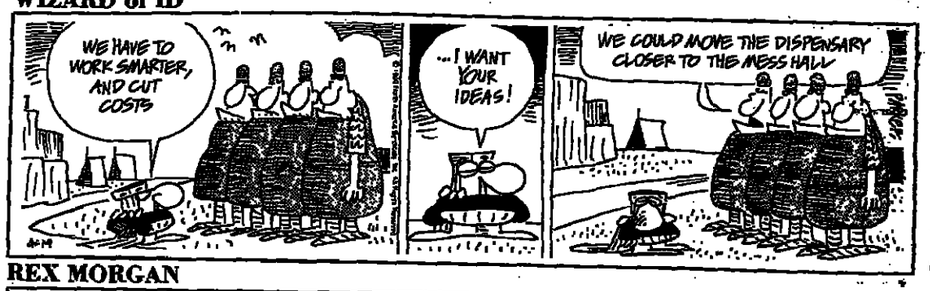
West leads the spade queen.

PEANUTS

BEETLE BAILEY

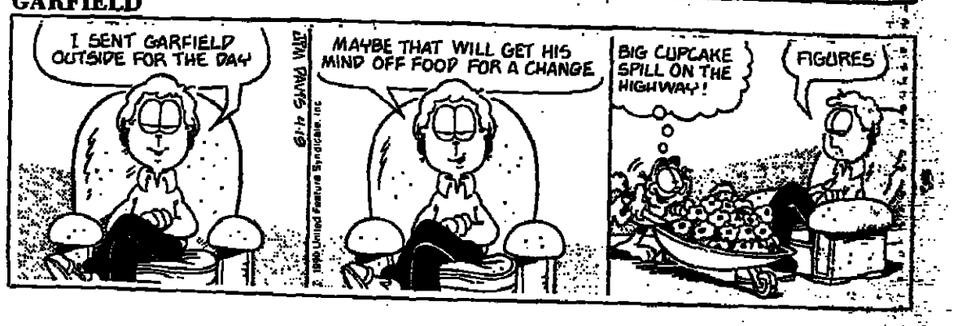
ANDY CAPP

WIZARD of ID



REX MORGAN

GARFIELD



DOONESBURY

DENNIS THE MENACE

JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

BYBOH
DARNB
MIRBLE
HETTER

WHAT THAT FAMOUS WRITER FOUND MOST ABSORBING.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: ( ) ( ) ( ) ( ) ( ) ( ) ( )

(Answers tomorrow)

Yesterday's Jumbles: GAUGE CABLE GRUBBY BIGAMY
Answer: What those big-spending tourists returned with—"BRAG" & BAGGAGE

BLONDIE

SPORTS

Cubs Tempt Fate and Survive, 8-6, After 13 Innings Against the Mets

By Joseph Durso
New York Times Service

NEW YORK — Would you walk Howard Johnson to load the bases and pitch to Darryl Strawberry with two down and the game on the line in the 10th inning?

Well, Don Zimmer, the Merlin of the Chicago Cubs, did exactly that Tuesday night and survived when Mitch Williams struck out Strawberry on four pitches.

And that happened one inning after the New York Mets had loaded the bases with one down in the ninth and didn't score.

The Cubs, who tempt fate and survive, then scored a run off John Franco in the 11th inning to lead the Mets, 6-5.

But talk about surviving: In the bottom of the 11th, Mike Marshall hit a home run to center field, his first with the Mets, and they were tied again at midnight.

And after all that, in a game that included 22 walks for both sides and five errors for the Mets, the Cubs finally scored two in the 13th on a single, a walk and a two-run throwing error by Howard Johnson. And this time they absolutely survived the Mets, 8-6.

It was cold and it was windy at Shea Stadium and it was no night for anybody's pitcher to be out there trying to throw strikes.

Sid Fernandez of New York walked five batters in five innings and gave up five runs, and Jose Nunez of Chicago walked seven batters in less than five innings and gave up four runs.

The Cubs didn't even get a hit until the fourth inning, though they had taken the lead, 1-0, in the third.

Jerome Walton was nicked by a pitch, stole second, continued to third when catcher Barry Lyons threw the ball into center field and scored on a sacrifice fly by Mark Grace.

In the New York half of the third, Nunez walked Kevin Elster, Fernandez bunted the runner to second and Gregg Jefferies doubled home a run for a 1-all tie.

Before the inning ended, Nunez walked two more batters. But he didn't hurt himself again until the next inning, when Mark Carreon opened the fourth by hitting a home run.

But Fernandez surrendered the lead in the fifth inning.

His main problem was still control, and he loaded the bases in this frustrating sequence: He walked Rick Wrona, the No. 8 hitter, but struck out Nunez.

Then he walked Walton, but got Ryne Sandberg on a foul to the catcher. Then he walked Grace on a full count, and faced Lloyd McClendon, who hit a home run into the balcony down the left-field line for the first grand slam of his career and a 5-2 lead for the Cubs.

But the base on balls was still a double-edged sword, and Nunez proved it again when he walked Jefferies on four pitches to open the New York fifth.

He went to three balls and no strikes on Keith Miller and was replaced by Les Lancaster. And in two pitches, Lancaster lost the lead.

His first pitch was ball four to Miller. His second was a fastball to Howard Johnson, who hit a home run into the right-field bullpen for three runs and a 5-5 tie.

Ray Stubblebine/Reuters
Don Zimmer protesting a call made when Shawon Dunston was tagged out after rounding first base on the way toward second.

Benfica Gains Cup Final; 4 Italian Teams Advance

Compiled by Our Staff From Dispatches

Vata Garcia scored on a corner kick in the 84th minute to give Benfica of Portugal an aggregate victory over Olympique of Marseille in a European Champions' Cup soccer semifinal Wednesday night, but Italian teams stole the evening.

No fewer than four Italian teams will play in the three major European soccer cup finals after semifinal victories Wednesday night and Tuesday.

In Munich, the holders of the Champions' Cup, AC Milan, scraped by to reach the final again this year, advancing under the away-goals rule after losing, 2-1, to Bayern Munich.

Stefano Borgonovo scored Milan's all-important goal in the 101st minute.

Thomas Strunz had sent the match into extra-time with a 60th minute goal that canceled out Marco Van Basten's penalty goal in Milan's 1-0 victory in Italy.

Scottish striker Allan McInally, a second-half substitute, scored the winner six minutes later.

The final will be played May 23 in Vienna, with Milan facing Benfica.

Milan will try to become the first team to successfully defend the trophy since Nottingham Forest of England in 1979-80.

In the Cup Winners' Cup semifinals, Anderlecht of Belgium will face Sampdoria of Italy.

Anderlecht advanced to the final, defeating Dinamo Bucharest 1-0 on Wednesday in Bucharest, and 2-0 on aggregate goals. The goal was scored in the 58th minute by Marc van de Linden.

The final will be played May 9 in Göteborg, Sweden.

Dinamo lost its chance in the first 10 minutes when Danut Lupu shot against the bar and Florin Raducioiu missed from in front of an open goal. Raducioiu was sent off

EUROPEAN SOCCER

six minutes from time in a desperate final fling by the Romanians.

In Genoa, Sampdoria qualified for the final for the second consecutive year. The Italian team had held Monaco to a 2-2 tie in the first-leg match two weeks ago.

The Italian team secured victory and qualification with two quick goals in three minutes. Defender Pietro Vierchowod opened the score in the 8th minute with a powerful shot a few meters from Jean-Luc Ettori's net.

Vierchowod received the ball from Yugoslav teammate Srecko Katanec, who was possibly in an off-side position. Monaco players protested.

Winger Attilio Lombardo made it two in the 11th with a precise shot from an angled position, exploiting a long pass from defender Amedeo Carboni.

Despite the less than impressive show of the home team about 35,000 fans warmly applauded La Samp throughout at Genoa's Marassi stadium.

The Italian team, which lost last year's Cup Winners' Cup final to Spain's Barcelona, is shooting for a victory in the European competition to make up for a somewhat disappointing season in the Italian major league.

Italian goalkeeper Stefano Tacconi made a string of fine saves in the final 15 minutes to deny Cologne a goal and help Juventus reach the final of the UEFA on a goalless draw.

The draw, following Juven 3-2 victory in the first leg in T set up the first all-Italian U final, against Fiorentina, w beat another West German t Werder Bremen, in the other s final on Tuesday night.

(Reuters, AFP,

■ Haessler to Juventus

Juventus announced Wedne that it has signed Cologne fielder Thomas Haessler from Cologne for more than $8.8 lion, which puts him among most expensive players eve world soccer, United Press Inte tional reported from Bonn.

The only players who have their clubs more are Argenti star Diego Maradona and D captain Ruud Gullit.

Maradona cost Napoli $1 million when it bought him f Barcelona in 1984. And when lit moved to AC Milan from Eindhoven in June 1987, $8.95 lion changed hands.

Haessler, 23, made his inte tional debut in 1988.

Cup Results

SEMIFINALS
Second Legs
CHAMPIONS' CUP
Bayern Munich 2, AC Milan 1 (Aggregate AC Milan advances on away goals r
Benfica (Portugal) 1, Marseille 0. (Be advances.)
CUP WINNERS' CUP
Sampdoria (Italy) 2, Monaco 0. (Sampc advances 4-2 on aggregate.)
Dinamo Bucharest 0, Anderlecht (Belgiu (Anderlecht advances 2-0 on aggrega
UEFA CUP
Cologne 0, Juventus (Italy) 0. (Juventus vances 3-2 on aggregate.)
Fiorentina (Italy) 0, Werder Bremen 0. gregate: 1-1. Fiorentina advances on a goals.)

Twins Top Seattle, Ending 3-Game Slide

The Associated Press

Kent Hrbek's tie-breaking single in the ninth inning enabled the Minnesota Twins to beat the Seattle Mariners, 6-5, Tuesday night in Seattle and snap a three-game losing streak.

Kirby Puckett doubled off Keith Comstock, Seattle's fourth pitcher,

BASEBALL ROUNDUP

with one out in the ninth and Hrbek followed with his run-scoring single. Comstock had retired all 10 batters he faced this season before Puckett's double.

The score had been tied at 5-all since David Valle of Seattle hit a solo home run in the bottom of the fourth.

Seattle scored three times in the second on a double by Jeffrey Leonard, an RBI single by Pete O'Brien and a home run by Darnell Coles to make the score 3-1.

The Twins tied it in the third on a double by Dan Gladden and two-out singles by Puckett, Hrbek and Gary Gaetti.

A throwing error by the Minnesota shortstop, Greg Gagne, on a grounder by Harold Reynolds helped the Mariners take a 4-3 lead in the third. Reynolds stole second and scored on a double by Alvin Davis.

The Twins took a 5-4 lead in the top of the fourth. Gagne walked and scored on Al Newman's double. Newman stole third and continued home when catcher Valle's throw eluded third baseman Darnell Coles, who was charged with an error.

Blue Jays 8, Orioles 2: In Toronto, Pat Borders, Kelly Gruber and Junior Felix homered and Mike Flanagan allowed one run on four hits over five innings for the Blue Jays, off to the best nine-game start (6-3) in club history.

Yankees 4, Tigers 1: Tim Leary scattered six hits in seven innings in Detroit, and Dave Winfield, making his first start in left field since 1984, had a bases-loaded single to drive in two runs.

Royals 4, Indians 2: In Kansas City, Missouri, Kurt Stillwell drove in the tying and lead runs with a sixth-inning triple and continued home on rookie second baseman Carlos Baerga's throwing error as Kansas City rallied past Cleveland.

White Sox 2, Red Sox 1: In Chicago, Sammy Sosa singled off Lee Smith with one out in the ninth, stole second and scored on Ozzie Guillen's single to give Chicago its fifth victory in six games.

Rangers 6, Brewers 2: Pete Incaviglia's three-run homer in the sixth snapped a 2-2 tie in Arlington, Texas, as Ruben Sierra also homered for Texas, the 100th of his career.

Athletics 7, Angels 5: In Anaheim, California, Mike Norris earned his first major-league victory in almost seven years with one inning of perfect relief, and Oakland scored twice in the 12th inning. Norris retired the last three of 17 consecutive batters set down by Oakland relief pitchers for his first victory since May 16, 1983.

Dennis Eckersley gave up a leadoff double to Dante Bichette in the bottom of the 12th before recording his fourth save.

In the Oakland 12th, Stan Javier reached base on a fielder's choice and took third on a single by Rickey Henderson. Carney Lansford hit a potential inning-ending double play grounder that was juggled by second baseman Johnny Ray, who could only throw to first as Javier scored the winning run.

Reds 2, Padres 1: In a National League game in Cincinnati, Barry Larkin had his seventh straight multiple-hit game as Cincinnati remained the only unbeaten team in major league baseball at 7-0. Larkin went 3-for-4 to raise his average to .594 (19-for-32).

Pirates 7, Cardinals 2: In Pittsburgh, the Pirates used the wildness of Cardinals' pitcher Greg Mathews to score six runs in the third inning, and Neal Heaton won his seventh straight decision.

Mathews allowed three hits in 2⅔ innings, but walked six and made a first-inning error that gave the Pirates a 1-0 lead.

Expos 2, Phillies 1: In Montreal, Delino DeShields beat the throw on an attempted double play, driving in the winning run in the seventh inning as Montreal won its fourth straight game.

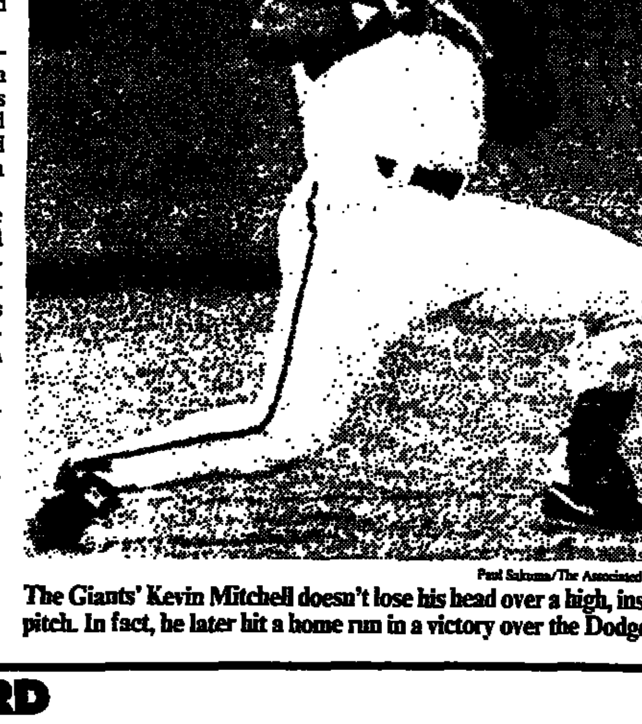
Nelson Santovenia led off the seventh with a single and was replaced by pinch-runner Otis Nixon, who stole second, went to third on a single by Spike Owen and scored on DeShields's grounder.

Astros 5, Braves 3: Franklin Stubbs had three hits, including a two-run homer, and Craig Biggio, who has nine hits in his last 11 at-bats, drove in the go-ahead run in Houston.

Mark Portugal of the Astros gave up two runs in the first inning, but retired 12 batters in a row before leaving in the sixth.

Dodgers 10, Giants 5: In San Francisco, Mike Scioscia homered to lead Los Angeles, marking the fourth time in five games that San Francisco has lost when leading or tied in the eighth inning.

With the game tied at 5-all in the eighth, Scioscia hit a 2-1 pitch from Atlee Hammaker to put the Dodgers ahead for good.


Paul Sakuma/The Associated Press
The Giants' Kevin Mitchell doesn't lose his head over a high, inside pitch. In fact, he later hit a home run in a victory over the Dodgers.

Oakland Rescinds Deal for Raiders

The Associated Press

OAKLAND, California — A $428 million financial offer by the city of Oakland designed to win back the Los Angeles Raiders pro football team by 1992 was swept off the table Tuesday when the city council voted 6-0 in favor of rescinding it.

The vote carried with it council approval for opening talks on a possible new deal to lure the Raiders from Los Angeles.

Petitions to place the deal before city voters were its undoing.

One Day, 250 Kilometers, 150 Stitches

By Samuel Abt
International Herald Tribune

LIEGE, Belgium — Nearly everybody in the small world of professional bicycle racing remembers the photograph and Davis Phinney remembers it best. It shows him sitting on the ground behind a car, his right hand up to his face, his body limp and blood everywhere.

"I just center-punched that car," Phinney said. Traveling at high speed and with his head

CYCLING'S CLASSICS

down in the 1988 Liège-Bastogne-Liège race, he rammed the stopped car from the rear and went head-first into the window, which shattered.

"I just had time to get my left arm up to my face," the 30-year-old American rider said, repeating the motion and showing a long scar on the underside of his arm. "I lost the use of my little finger. It just hangs there, limp."

His nose was broken and his face so badly ripped that he needed 150 stitches to repair the damage. The scars have faded now. When he laughs, which is often, the scars around his eyes blend into a worldly crinkle. "People say they add character to my face," Phinney boasted.

Liège-Bastogne-Liège was run again, for the 79th time, last Sunday. Begun in 1890 as a race for amateurs, it is generally regarded as the oldest of bicycling's classic, or one-day, races by one year over Bordeaux-Paris. Some historians of the sport point out, however, that it did not become a race for professionals — the usual yardstick for measuring a race's longevity — until 1894 and then resumed its amateur status until 1912.

That amateur tradition lingers. Until this year, Liège-Bastogne-Liège was organized by the Royal Cyclist's Pesant Club Liègeois, which proudly listed on its stationery such local sponsors as a furniture manufacturer and a pinball-machine supplier.

In a way it was charming to have a mom and pop organization running such an important race in an era when marketing studies and computer printouts are beginning to dominate the sport. Sometimes Liège-Bastogne-Liège seemed more like an overgrown *kermesse*, one of the lots-of-fun-for-the-family races that nearly every town in Belgium holds annually.

Sometimes, though, because it was all so casual and the weather often rainy and even snowy, Liège-Bastogne-Liège was unsafe. Roads up and down some of its hills were narrow and clogged with spectators, making it difficult for the racers to get through. Press photographers on motorcycles were allowed to shadow the riders so closely that they could block a breakaway.

In 1988, before Phinney was hurt, dozens of riders spilled into a drainage trench that had been dug across the course. In major races, the organizers monitor the roads beforehand to prevent unexpected obstacles or they post sentries with yellow flags to warn the riders, but in Liège-Bastogne-Liège nobody seemed to know about the trench.

"I was in that crash," Phinney said, "and I wrecked both wheels. By the time I got going again, I was five minutes down and ready to quit." Mike Neel, then the manager of his 7-Eleven team, drove up and told Phinney and a teammate, Alex Stieda, to stay in the race.

" 'Come on, let's go,' he said," Phinney remembered. "I was feeling so good that we just took off. Because of the crash there were riders all strung out ahead and I was raging and went by these groups. I was going, going, going."

"Team cars were all along the road and I tried to ride in the center, passing between the cars. I was leapfrogging cars but getting tired because I had been chasing for about 10 kilometers. I could see the pack and they were about 200 meters away so I just put my head down and rode."

"I heard horns honking behind me and I thought it was just team cars wanting riders to move over and I put my head up and a car had just stopped in the middle of the road."

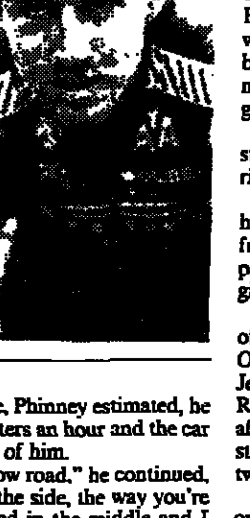
The car belonged to the Isoglass team and had stopped to replace a punctured tire for one of its riders. At the time, Phinney estimated, he was racing at 50 kilometers an hour and the car was about 5 feet ahead of him.

"It was a pretty narrow road," he continued, "but he didn't stop on the side, the way you're supposed to. He stopped in the middle and I plowed into him. It was my fault. You assume there'll be nothing there, that the race is ongoing, but ultimately everything is pretty much your fault in bike racing."

He was rushed by ambulance to Liège for a two-hour operation. Two days later he was back on his bicycle, riding it on a roller platform, as racers do to warm up. "Mostly it was to sweat and clean out the anesthetics from my body," he said.

A few days more and he was riding through the streets, careful about the cast on his left arm. "Like a batter who has been hit by a pitch, the trick is to get going right away, not brood about it." Ten days after he left the hospital he entered his first race, a kermesse in Belgium. Four weeks to the day after the crash, Phinney outsprinted the pack to win a stage of the Tour of Romandie, a Swiss race.

Phinney returned to Liège-Bastogne-Liège last year.


Presse Sports
Today he can laugh about it, but for Davis Phinney, the crash of '88 was bloody and painful.

"I was really uptight and the closer I go where I had crashed, I started to get this bl in my mind. I couldn't ride in the field w everybody else. I was so tense that I was rid last guy. Once we went past the point, I star to relax."

Because he had been riding in Europe season since the earliest race in February because he is still recovering from a tend operation on his left knee last November, the Eleven team sent him home to Boulder, Colo do, a week before last Sunday's Liège-B togne-Liège. "I'm really glad to miss that," said.

The race is now one of the 12 classics t compose the prestigious and lucrative W Cup. As such, its organizers were persuadec bring in outside advisers and they asked Société du Tour de France to help map a s course and control the crowds and press mo cycles. The Tour de France people recommen ed eliminating one hill as too dangerous a adding three, for a total of 10.

On Sunday, as black clouds scudded acr the sky, 196 riders started the 256-kilome race south into the Ardennes and back to Li

"It's very difficult and very hilly, quite change from the first classics," explained St Bauer, a Canadian and Phinney's teamm with 7-Eleven. "The Tour of Flanders has h but they're short. In Liège-Bastogne-Liège, y need more stamina, more endurance. You ne good climbing ability."

"You've been riding flat and riding cobb stones and you're not really prepared to riding up and down. That's a tough transitio

This was a typical Liège-Bastogne-Liège. T hills were as long as ever and the weath frequently hard and cold rain as the rid passed the spruce forests of southeastern B gium, as bad as ever.

With 22 kilometers to go, Eric Van Lanck of Panasonic broke away before the final clim Of the 136 riders who finished, only two Jean-Claude Leclercq of Helvetia and Stev Rooks of Panasonic — had the strength to after him and Rooks was doing it as a piece strategy, to put Leclercq in a nutcracker b tween two teammates.

Van Lancker crossed the finish line 34 se onds clear to give Belgium its first victory in t classic since 1978. The two others began sprint for second place, with Leclercq comi straight down the middle and Rooks out to h left.

The road should have been clear for Roo but just behind the finish line a long line photographers, reporters, officials and simp onlookers jutted directly into his path. Lucki Rooks was racing with his head up and spotte them. He swerved away, losing ground as L clercq crossed the line first. Nobody was hur

It was difficult not to think then about Phi ney, an acclaimed sprinter, the best in Ameri and one of the best in the world. With a bi laugh, he tells about the attendant at a ski li who did a doubletake when he saw his scarre face.

"He asked, 'What happened? A cat scratc you?'

" 'Yeah, I said. And you know what kind c cat it was: a jaguar.' "

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

Atlantic Division	W	L	Pct	GB
x-Philadelphia	51	28	.646	—
y-Boston	49	30	.620	2
z-New York	45	34	.570	6
Washington	31	48	.392	20
Miami	17	62	.215	34
New Jersey	17	62	.215	34
Central Division				
x-Detroit	57	22	.722	—
z-Chicago	54	25	.684	3
z-Milwaukee	42	38	.525	15½
z-Indiana	41	38	.519	16
Cleveland	39	40	.494	18
Atlanta	39	41	.488	18½
Orlando	17	62	.215	40

WESTERN CONFERENCE

Midwest Division	W	L	Pct	GB
x-Utah	54	25	.684	—
z-San Antonio	53	26	.671	1
z-Dallas	44	35	.557	10
Denver	41	38	.519	13
Houston	40	39	.506	14
Minnesota	22	57	.278	32
Charlotte	18	61	.228	36
Pacific Division				
x-LA Lakers	61	18	.772	—
z-Portland	56	23	.709	5
z-Phoenix	53	26	.671	8
Seattle	39	40	.494	22
Golden State	35	44	.443	26
LA Clippers	30	49	.380	31
Sacramento	23	57	.288	38½

x-clinched conference title
z-clinched playoff berth

TUESDAY'S RESULTS

Washington 40 31 32 26—129
Orlando 32 29 41 25—127
Malone 14-25 5-7 33, King 13-26 6-6 32; Reynolds 8-15 10-11 26, Theus 8-19 6-8 22. Rebounds: Washington 51 (Grant 14), Orlando 64 (Acres 10). Assists: Washington 40 (King 14), Orlando 27 (Skiles 10).

New Jersey 22 26 27 19— 95
Atlanta 32 27 34 25—118
Hopson 8-14 3-4 20, Haley 6-11 7-8 19, Short 8-16 3-4 19; Wilkins 12-22 13-14 36, Malone 5-14 6-6 16. Rebounds: New Jersey 46 (Morris, Short 7), Atlanta 54 (Malone 13). Assists: New Jersey 20 (Conner 9), Atlanta 22 (Rivers 10).

Denver 34 23 24 28—99
Minnesota 31 22 12 23—89
Adams 8-17 4-5 22, Lever 6-14 8-9 21; Corbin 9-15 7-7 25, Campbell 7-21 2-2 16. Rebounds: Denver 53 (Schayes 10), Minnesota 52 (Corbin 13). Assists: Denver 25 (Adams 7), Minnesota 22 (Richardson 11).

LA Lakers 31 25 23 23—102
Seattle 24 31 26 20—101
Worthy 9-18 2-2 22, E.Johnson 4-12 12-13 21; Ellis 13-22 0-1 28, McDaniel 8-20 2-2 18, McKey 6-14 6-6 18. Rebounds: LA Lakers 48 (Green 13), Seattle 47 (Cage 12). Assists: LA Lakers 21 (E.Johnson 8), Seattle 25 (McMillan 10).

Boston 22 19 34 30—105
Chicago 26 29 27 29—111
McHale 13-24 2-2 28, Lewis 11-13 2-4 24; Jordan 13-24 7-8 35, Cartwright 6-11 4-4 16, King 5-7 4-8 14. Rebounds: Boston 49 (Parish 10), Chicago 43 (Grant 12). Assists: Boston 29 (Bagley 14), Chicago 25 (Pippen 10).

Cleveland 20 30 22 24—96
Milwaukee 24 18 22 16—80
Williams 7-14 5-7 19, Nance 6-16 1-2 17, Dougherty 6-13 5-7 17, Ehlo 7-15 1-2 17, Price 6-14 5-5 17; Humphries 10-20 2-2 22, Roberts 8-12 3-4 19. Rebounds: Cleveland 52 (Williams 11), Milwaukee 51 (Lohaus 11). Assists: Cleveland 25 (Price 9), Milwaukee 25 (Humphries 9).

Sacramento 27 17 25 18— 97
Houston 35 23 25 29—112
Ainge 10-21 5-6 27, Carr 10-18 1-1 21; Floyd 9-19 3-4 22, Olajuwon 9-16 2-2 20. Rebounds: Sacramento 43 (McCray 10), Houston 52 (Smith 9). Assists: Sacramento 26 (McCray 8), Houston 22 (Floyd 7).

Utah 12 21 21 33—86
Dallas 25 22 31 18—97
Malone 14-29 11-14 39, Stockton 5-13 5-7 17; Harper 11-19 1-2 24, Tarpley 6-12 5-8 17. Rebounds: Utah 49 (Malone 17), Dallas 52 (Tarpley 11). Assists: Utah 23 (Stockton 12), Dallas 22 (Harper 8).

BASEBALL

Major League Standings

AMERICAN LEAGUE

East Division	W	L	Pct.	GB
New York	4	1	.800	—
Toronto	6	3	.667	—
Boston	4	4	.500	1½
Detroit	3	5	.375	2½
Cleveland	2	4	.333	2½
Milwaukee	2	4	.333	2½
Baltimore	2	5	.286	3
West Division				
Oakland	6	1	.857	—
Chicago	5	1	.833	½
California	5	3	.625	1½
Texas	4	4	.500	2½
Kansas City	3	4	.429	3
Minnesota	3	6	.333	4
Seattle	2	6	.250	4½

NATIONAL LEAGUE

East Division	W	L	Pct.	GB
Chicago	5	3	.625	—
Montreal	5	3	.625	—
Pittsburgh	4	4	.500	1
St. Louis	4	4	.500	1
New York	3	5	.375	2
Philadelphia	3	5	.375	2
West Division				
Cincinnati	7	0	1.000	—
San Diego	5	3	.625	2½
Los Angeles	5	4	.556	3
San Francisco	3	5	.375	4½
Houston	2	5	.286	5
Atlanta	1	6	.143	6

Tuesday's Line Scores

AMERICAN LEAGUE

Baltimore 000 002 000—2 4 0
Toronto 001 120 04x—8 11 1
Ballard, Holton (6) and Tettleton; Flanagan, Acker (6), Wells (7), D.Ward (9) and Borders, Myers (7). W—Flanagan, 2-0. L—Ballard, 0-2. HRs—Toronto, Borders (2), Gruber (2), Felix (2).

New York 010 003 000—4 8 0
Detroit 000 000 100—1 6 1
Leary, J.Robinson (8), Righetti (9) and Cerone; Tanana, Nunez (7) and Nokes. W—Leary, 1-0. L—Tanana, 0-1. Sv—Righetti (3). HR—Detroit, G.Ward (2).

Cleveland 110 000 000—2 9 1
Kansas City 000 004 00x—4 6 0
Black, Olin (6), Wickander (6), Guante (7) and Alomar; Dotson, Farr (6), Montgomery (7), M.Davis (9) and Boone. W—Farr, 1-0. L—Olin, 0-1. Sv—M.Davis (3).

Boston 001 000 000—1 4 1
Chicago 000 001 001—2 8 1
Dopson, Murphy (6), Reardon (8), L.Smith (9) and Pena; King, Patterson (5), Long (5), Radinsky (7), B.Jones (9) and Fisk. W—B.Jones, 2-0. L—L.Smith, 0-1. HR—Chicago, Kittle (1).

Milwaukee 010 100 000—2 3 0
Texas 010 004 10x—6 9 0
Knudson, Fossas (6), Crim (6), Mirabella (7) and Surhoff; K.Brown, Jeffcoat (7) and Petralli, Stanley (9). W—K.Brown, 2-0. L—Fossas, 0-2. Sv—Jeffcoat (2). HRs—Texas, Sierra (2), Incaviglia (2).

Minnesota 012 200 001—6 12 1
Seattle 031 100 000—5 10 1
A.Anderson, Yett (4), Guthrie (5), Berenguer (8), Aguilera (9) and Harper, Ortiz (8); Hanson, Je.Reed (4), M.Jackson (7), Comstock (9) and Valle. W—Berenguer, 1-0. L—Comstock, 0-1. Sv—Aguilera (3). HRs—Seattle, Coles (1), Valle (1).

Oakland 002 011 000 002—7 12 0
California 000 203 000 000—5 5 1
(12 innings)
Moore, Burns (6), Honeycutt (8), Norris (11), Eckersley (12) and Steinbach; Langston, Minton (7), Eichhorn (9), Fraser (12) and Parrish. W—Norris, 1-0. L— Eichhorn, 0-1. Sv—Eckersley (4). HRs—Oakland, Lansford (1), McGwire (3). California, C.Davis (2), Bichette (3).

NATIONAL LEAGUE

San Diego 000 000 100—1 9 0
Cincinnati 020 000 00x—2 9 0
Benes, Grant (6), Schiraldi (7) and Santiago; Browning, Charlton (7), Myers (9) and Oliver. W—Browning, 2-0. L—Benes, 1-1. Sv—Myers (3). HR—San Diego, Santiago (2).

St. Louis 010 000 010—2 5 3
Pittsburgh 106 000 00x—7 6 0
Mathews, Carpenter (3), Hill (8) and Zeile; Heaton, Power (8) and Slaught. W—Heaton, 2-0. L—Mathews, 0-2.

Philadelphia 000 001 000—1 7 1
Montreal 010 000 10x—2 7 0
Combs, Akerfelds (6), McElroy (6), Frohwirth (7), Carman (7), Parrett (7) and Lake; Gardner, Hall (6), Frey (8) and Santovenia. Fitzgerald (7). W—Hall, 1-1. L—Frohwirth, 0-1. Sv—Frey (3).

Atlanta 200 000 100—3 11 1
Houston 030 020 00x—5 12 0
Smoltz, Castillo (5), Luecken (6), Valdez (7), Henry (8) and Whitt; Portugal, Andersen (6), D.Smith (8) and Biggio. W—Portugal, 1-1. L—Smoltz, 0-2. Sv— D.Smith (2). HRs—Houston, Stubbs (1), G.Wilson (2).

Chicago 001 040 000 010 2—8 9 1
New York 001 130 000 010 0—6 10 5
(13 innings)
Nunez, Lancaster (5), M.Williams (9), Assenmacher (11), Wilkins (13) and Wrona, Girardi (9); Fernandez, Whitehurst (7), Machado (9), Franco (11), Innis (12) and Lyons, Marcano (12). W— Assenmacher, 1-0. L—Innis, 0-1. Sv—Wilkins (1). HRs—Chicago, McClendon (1). New York, Carreon (2), H.Johnson (3), Marshall (1).

Los Angeles 102 000 214—10 14 2
San Francisco 000 400 100— 5 10 0
R.Martinez, Searage (6), Aase (7), J.Howell (9) and Scioscia; Garrelts, McGaffigan (4), O'Neal (5), Hammaker (7), Quisenberry (9), Swan (9), Brantley (9) and Kennedy. W—Aase, 1-1. L—Hammaker, 0-1. HRs—Los Angeles, Scioscia (3), San Francisco, Mitchell (2).

Japan Baseball

Central League	W	L	T	Pct.	GB
Yomiuri	7	2	0	.778	—
Taiyo	4	3	1	.571	2
Chunichi	4	4	1	.500	2½
Hanshin	4	4	0	.500	2½
Yakult	3	5	0	.375	3½
Hiroshima	3	7	0	.300	4½
Pacific League					
Seibu	5	1	0	.833	—
Orix	5	2	1	.714	½
Lotte	3	2	0	.600	1½
Nippon Ham	4	4	0	.500	2
Daiei	2	5	1	.286	3½
Kintetsu	1	6	0	.143	4½

WEDNESDAY'S RESULTS
Taiyo 5, Yomiuri 4
Hanshin 4, Yakult 0
Chunichi 5, Hiroshima 4, 11 innings
Orix 11, Kintetsu 4
Daiei 9, Nippon Ham 8

HOCKEY

NHL Playoffs

TUESDAY'S RESULT
Adams Division

Hartford 0 0 1—1
Boston 2 1 0—3
First Period—1, Boston, Byce 1 (Carter, Bourque), 1:30. 2, Boston, Janney 1 (Neely, Wesley), 7:29 (pp). Second Period—3, Boston, Neely 4 (Janney), 15:22. Third Period—4, Hartford, Francis 3 (Shaw), 13:48 (pp).
Shots on goal—Hartford (on Moog) 18-5-5—28. Boston (on Sidorkiewicz) 11-9-5—25.
Boston wins series 4-3

World Championship

ROUND ROBIN STANDINGS
(Through Tuesday)

	W	L	T	Pts	GF	GA
Canada	2	0	0	4	11	4
Czechoslovakia	2	0	0	4	11	3
Soviet Union	2	0	0	4	14	3
Sweden	2	0	0	4	8	5
Finland	0	2	0	0	4	8
Norway	0	2	0	0	4	13
United States	0	2	0	0	4	13
West Germany	0	2	0	0	3	10

TUESDAY'S RESULTS
Soviet Union 5, West Germany 2
Canada 6, United States 3
Sweden 4, Norway 3
Czechoslovakia 4, Finland 2
(No games Wednesday)

TRANSACTIONS

BASEBALL
National League

HOUSTON—Put Steve Lombardozzi, infielder, on the 15-day disabled list retroactive to April 15. Bought contract of Casey Candaele, infielder, from Tucson, Pacific Coast League.

BASKETBALL
National Basketball Association

DALLAS—Activated Brad Davis, guard, from the injured list. Waived Mark Wade, guard.

FOOTBALL
National Football League

GREEN BAY—Signed Scott Kirby, offensive tackle; Damon Stell, running back; and Stacey Mobley, wide receiver.

HOUSTON—Signed Bo Orlando, defensive back, to a two-year contract. Said they will not renew the contract of Kenny Johnson, safety.

MIAMI—Signed John Offerdahl, linebacker, to a four-year contract.

HOCKEY
National Hockey League

N.Y. RANGERS—Signed Steven Rice, right wing.

COLLEGE

ALCORN STATE—Said that Fred McNair, quarterback, has been ruled academically ineligible.

CENTRAL WASHINGTON—Named Gil Coleman men's basketball coach.

CITADEL—Named Bo Crouch men's tennis coach.

IOWA—Said that Ray Thompson, basketball guard, has withdrawn from school.

SOCCER

ENGLISH FIRST DIVISION
Charlton 1, Wimbledon 2
Manchester United [illegible] Aston Villa 0

ESCORTS & GUIDES

INTERNATIONAL ESCORT SERVICE
Head office in New York
1841 Broadway, Ste 1000, NYC 10023
212-765-7896
MAJOR CREDIT CARDS AND CHECKS ACCEPTED

AT YOUR SERVICE
VIP ESCORT AGENCY LONDON
American Express Accepted
581 2811, 9AM-MIDNIGHT

MADRID SHADOWS
Escort Service
Telephone: 341-262.99.93

ELITE
International V.I.P. Escort Service. London 01-581-1473.

INTERNATIONAL CLASSIFIED
(Continued From Back Page)

ESCORTS & GUIDES

MERCEDES
V.I.P. ESCORT AGENCY
9 AM TILL MIDNIGHT - 7 DAYS
MAJOR CREDIT CARDS ACCEPTED
TEL: LONDON
(01) 351 6666

GENEVA TIFFANY
Escort Service. Tel: 022.47.47.03

* * THE ESCORT CONNECTION * *
LONDON PARIS N.YORK GENEVA
London 259 5408 All Credit Cards
Geneva 022/21 97 46
New York (212) 727 05 58

CHELSEA ESCORT SERVICE.
51 Beauchamp Place, London SW3.
Tel: 01-584 6513 Established 18 years.

* * * * * GLAMOUR
Madrid Escort Service. Tel: 711 86 38.

ESCORTS & GUIDES

ZURICH SUSAN
ESCORT SERVICE. Tel: 01/382 05 80

* * Z U R I C H * *
Top Escort Service. Tel: 01/41 76 09

*********T O K Y O**********
First Class Escort / Guide Service. Tel: (03) 358 - 7322
for executives.

GENEVA - JOY -
Escort Service 022 / 21 99 61

NEW TOP LUXURY ELITE ESCORT
UPPER CLASS VIP MODEL SERVICE
FRENCH, ITALIAN, SWEDISH
LONDON BELGRAVIA 581 2069

MADRID IMPACT ESCORT and Guide Service. Multilingual, Visa. Open 11am - midnight. Tel: 261 4142

**** LONDON PARIS LINK ****
Anne + Claire French Exclusive VIP Escort Service. London (01) 351-1152

ESCORTS & GUIDES

* * Z U R I C H * *
Caroline Escort Service 01/252 6174

NEW IN BRUSSELS | BACCARA II
Multilingual VIP First Class Escort Service. All credit cards. 02/374.99.06

MILAN & LUGANO EXCLUSIVE ****
Multilingual Escort Service. Tel: (39-2) 8691479.

LONDON PRIVATE
Elegant Sophisticated Escort Service. Call 01 792 2327 or [illegible]

[illegible] JAPANESE CHINESE THAI Escort service. Days and evenings. Please telephone 603 7194 London.

BRUSSELS. CATHY High Class Escort Service. Tel: (02) 734-1586 or (02) 733-3321. Credit cards accepted.

*** MADRID *** CHRISTIE ***
Guide Service. Telephone: (341) 571 52 62.

MUNICH 98 24 83
Lorraine High Class Escort Service

- ZURICH - DOMINA LADY JANE
Escort Service *** Credit cards.
Tel: 01 / 252 73 59.

ESCORTS & GUIDES

CAPRICE EXCLUSIVE European and Eurasian Escort Service. London 2[illegible] 3378

LACE Escort Service
Malaysian, Chinese, Thai.
London 748 9000

GENEVA **ROYAL**GENEVA
** VIP ESCORT SERVICE **
OPEN 7 DAYS. Tel: 022/781.27.72.

GENEVA **ROYAL**GENEVA
** VIP ESCORT SERVICE **
OPEN 7 DAYS. Tel: 022/781.27.72.

* * * MUNICH * * * 91 23 1[illegible]
ESCORT & GUIDE AGENCY.
THE FRIENDLY SERVICE.

ZURICH NEW
High class Escort Service.
Tel: 01 / 363 94 23.

BEVERLY HILLS, CA.'s
Exclusive Escort Agency.
VIP # (213) 285-8975.

AMSTERDAM BERNADETTE ESCORT
Service. Number One. Telephone: (0) 20-327799 or (0) 20-362833.

***** F R A N K F U R T *****
Princess Escort Service, 7 days.
Tel: 069 / 666 25 64.

F R A N K F U R T
Bunny's Escort Service
Tel: 069/28 95 57. English spoken

********** VIENNA **********
MARY'S ESCORT SERVICE
36 92 213

FRANKFURT * PRIVATE *
Sophisticated Escort Service.
Call: 069/444 798.

ART BUCHWALD

Earth Day Recycled

WASHINGTON — The grizzled old man was sitting on a park bench, eating a recycled cheese sandwich, when a group of youngsters stopped by.

"How old are you, Gramps?" one of them asked.

"Pretty old," the man replied.

"Are you old enough to remember Earth Day?"

Buchwald

"Yup, it was April 22, 1970, but it seems like yesterday. It's hard to describe it if you weren't there. Fumes were coming out of the tailpipes of cars, black smoke was billowing from factory chimneys, and we soon discovered we had something called acid rain that killed all the fish in the freshwater lakes."

"Aw," said one of the kids. "No one would be stupid enough to kill all the fish."

"It was worse than that. People threw anything they wanted into the rivers, and they flushed garbage and other stuff into the ocean. I threw it myself. We couldn't even go swimming on the beaches because the water wasn't safe."

"Wow," yelled one little boy. "I'm glad that I wasn't alive then."

□

"Developers built houses over toxic clear waste sites, and legitimate companies hired gangsters to dump poisonous waste material from one end of the country to the other. Nobody in the government would take responsibility for it. In those days the average citizen didn't do too well against the lobbyists when they appealed their case to Washington."

"Not like today, huh, Gramps?" one of the kids laughed.

"That's right. Today the government really worries about its dumps. Before Earth Day people sprayed insecticide on everything. That's because no one knew it was bad for kids."

"Have they stopped spraying?"

"No," Gramps told him, "but they now give you time to cover your car with plastic and crawl into your house. I guess the biggest thing that concerned us in those days was pesticides running off into the drinking water. The chemical companies claimed that we had nothing to be afraid of and, to prove it, the president of a company drank a glass of water on TV."

"They must have been exciting times, Gramps."

"We were pretty wild in those days. We used to throw our bottles into the street and burn our trash in the backyard and even toss Styrofoam plates and cups into the ocean."

"We still do that," another boy said.

"Well, you can't expect the population to change its habits in just 20 years. Our one objective on Earth Day was to prevent the next generation from inheriting a cesspool. Two decades ago we declared, 'Enough is enough. We have to make the highway smell like the sea breeze and the sea breeze smell like the highway.' Of course, everyone was for it even after they found out how much it would cost."

□

"So what did you do when you found out how much money was involved, Gramps?"

"We sang a lot — mostly, 'this land was made for you and me.'"

"Are you sure you're telling us the truth, Gramps?"

"What part do you mean, son?"

"The part where people didn't care what they discarded or where they discarded it."

"I swear to you it was that way. I know it's hard for you kids to imagine how different it was compared with how spic and span everything is today. It was so bad then that you couldn't see the forests for the rain."

Cannes Film Program Reflects World Events

The Associated Press

PARIS — Films from China, Eastern Europe and Africa will be among those competing for the Golden Palm award at the 43d Cannes Film Festival, reflecting the dramatically changing world events, organizers announced Wednesday.

Of 19 movies selected to compete for prizes at the May 10-21 festival, four are from Eastern Europe, emphasizing the "new wave" of freedom in artistic developments there, the organizers said. France, Italy, Austria, Japan, Colombia and the United States will be among the other countries represented.

Will Golfing, And Its Courses, Ruin Japan?

By James Sterngold
New York Times Service

KOBE, Japan — More than the love of expensive cars or baseball, the almost fanatical passion in Japan for golf, with its sense of open spaces and luxury, offers insight into the way wealth and the discovery of leisure are influencing this crowded country.

But recently even that beloved sport has been caught up in a national debate: How much should all the new money be allowed to change the country? Fueled by environmentalism and concern about changes in Japan's traditional landscape, a wave of opposition to new course construction has swept the nation, which is estimated to have 13 million golfers. Six prefectures have banned or sharply restricted the development of new courses. Scores of localities have enacted new rules or are facing pressure to ban or limit new construction.

Chiba Prefecture, a suburb to the northeast of Tokyo blanketed by 104 courses, with another 16 under construction and 85 applications pending, decided recently to ban the use of certain agricultural chemicals on its courses.

And in one of the most symbolic protests, Kobe, an affluent port city near Osaka that holds an honored place as the home of Japan's first golf course, has passed a one-year moratorium on new course approvals.

The ostensible reason for much of the opposition, led by a coalition of citizens groups, is that the agricultural chemicals used to maintain the sculptured acres of greensward will pollute the environment. While many admit that this is a possibility, there is as yet no firm evidence of health or other risks, other than complaints of sore throats and dizziness among some golf club workers.

Also undermining that argument is the fact that the same chemicals are used freely by farmers, at times in greater amounts and often in the same areas, and yet there is no movement to restrict them.

"When we point this out, the government officials always say golf is just a leisure activity, and farming produces food," said Mikiji Komatsu, manager of the Sodegaura Country Club in Chiba. "But you put the food in your mouth. I don't understand it."

If there is something connecting the diverse coalition of groups that have fought the courses, it seems to be a deep-seated ambivalence about how sudden wealth is making the Japanese countryside somehow less Japanese.

The spectacle of forests or terraced rice paddies dotted with bamboo and straw scarecrows being transformed into precisely trimmed fairways, bunkers and greens, with towering concrete clubhouses, is leaving many Japanese uneasy about the cultural price being paid for these expensive and exclusive golf courses.

Environmentalists point out that Japan can use less than 15 percent of its land mass for agriculture — 85 percent of the archipelago is mountains — and that that percentage is shrinking from urban incursions.

"I think there is some frustration among local people to see people so remote from them on this land," said Yoshikazo Ozawa, a Chiba Prefecture official.

Some hint of this underlying concern was evident in the makeup of the group that successfully fought for the one-year moratorium in this city of 1.5 million. It consisted of a writers group, a mountaineering club, and an association of residents of an apartment complex next to a new course here.

"We became concerned when we saw the destruction of nature," said Shigeji Tada, the 84-year-old head of the mountaineering club, in an interview in the lobby of Kobe's elegant, marble-trimmed new city hall. "You must understand, nature is indispensable to our culture."

Currently, there are 16 courses in Kobe, with another dozen under way.

"We felt that all the appropriate places for golf courses were already occupied," added Toyokazu Kagami, a writer who represents a cultural group. "Now they're thinking of building them in places that are not so suitable. They will actually change the geography of the land and affect many farming villages."

Yet, as Kagami acknowledged, farmers have generally not been allies. Many have been delighted to sell their land for high prices to the course developers, especially since farmers' children all over Japan are abandoning agriculture for jobs in the cities.

Seiji Fujii, an ebullient young organic vegetable farmer in rural northern Kobe, a bucolic area of thatched huts and paddies, has fought construction of a course next to his land because of worries that the chemicals will run into a reservoir above his property and taint his chemical-free crops.

As he stood by a tree-stripped, recontoured hillside, next to some heavy machinery, he said he has to be careful about his activities because he is out of step with many of his neighbors. A number of them, Fujii said, have happily swapped their handtools for five irons, taking payment for their land partially in club memberships, which have become negotiable instruments in Japan, like stocks.

Worrying the opponents is the fact that Kobe city officials leave open the question of what will happen when the one-year moratorium ends.

"For the time being, we think the one-year moratorium is enough, and then we'll consider the question," said Tokuzo Ohkawara, head of Kobe's planning office and an 18-handicap golfer. "But the reason we had to do this was a big increase in the number of golfers recently. I think this is because Japan is suddenly rich."

It would be hard to overstate the popularity of golf in Japan. Golf has become an essential corporate ritual, turning weekend jaunts into serious business obligations. And golfing accessories have become among the most fashionable gifts.

But is it appropriately Japanese?

"People found ways to enjoy themselves before they ever heard of golf," Kagami said. "And it was better for this country and the people."

Ellen Rudolph/The New York Times

Fujii, left, and Kagami at the site of a planned golf course.

PEOPLE

Garbo's Wish Obeyed

Greta Garbo has been cremated secretly according to her wish to remain as private in death as she was in life. When or where she was cremated or what was done with her ashes was not made public. The star, who retired in 1941, died Sunday at 84 in New York of kidney disease. In Stockholm, the Swedish Royal Library opened a secret file on Greta Garbo disclosing a 1926 letter written from Hollywood to a friend at home. In it, she described the beginnings of a reclusive life. "I live very lonely in a place where I am left absolutely alone. I go out for walks sometimes alone, look at the sky and the water and talk to myself," Garbo wrote to her friend Vera Schmiterlow, an actress. "I never will care for anybody here. I never go to parties. I sometimes go to the cinema and see a bad film." The letter was donated to the library in 1972 on condition it not be opened until after Garbo's death.

□

Vice President Dan Quayle will make Indianapolis 500 history when he serves as grand marshal for the race parade May 26. Quayle, an Indiana native, will be the first vice president in office to lead the 104-unit parade. Quayle's last parade was at the 1989 inauguration.

□

It has been a sore point with the Japanese that they win so few Nobel prizes, even in the sciences. So the late Konosuke Matsushita, the founder of one of the world's biggest consumer electronics companies, created the Japan Prize, an annual award in science and technology. This year, the Japanese lost their own prize again. Emperor Akihito and Empress Michiko presented $318,000 to Marvin Minsky, the Massachusetts Institute of Technology professor who is considered the father of artificial intelligence. Minsky has described several theories on ways to make machines learn by themselves, and has spun out theories of the human mind that could serve as models for simulating parts of the thinking process.

□

Donald Trump says he's decided to allow his estranged wife, Ivana, to continue running The Plaza hotel because he wants to always remain friendly with her. He said his lawyers had urged him to "get her right out, boom." But he said during a taped television interview: "How do I go over and say, 'Ivana, get out?' Look, I have the greatest hotel managers in the world who want to work for me. I mean, whoever runs The Plaza hotel, that's the ultimate thing. I just thought it would not be a nice thing to take Ivana out of The Plaza."

□

Elizabeth Taylor, hospitalized in Santa Monica, California, for a week, dismissed rumors she has AIDS. Her doctor says she has pneumonia. The 58-year-old actress entered Daniel Freeman Marina Hospital on April 10 for what was reported as a severe sinus infection. Her condition worsened and she has been moved to St. John's Hospital and Health Center. "I would like to dispel the plethora of rumors that have been circulating that I have an AIDS-related condition," she said in a statement. "I have an annual physical and have been tested for the disease and the test results are negative."

□

Sean Connery defied his doctor's orders and engaged in some small talk with the Prince of Wales and his wife, Diana, in London. The 59-year-old star is recovering from surgery on his vocal chords and had been ordered to maintain absolute silence. But at the premiere of his new film, "The Hunt for Red October," Connery chatted and joked with the heir to the throne and his wife and gave the couple presents for their sons, Princes William and Harry.

□

A pioneer in physical organic chemistry from Harvard University and another from the California Institute of Technology will share the 1990 Welch Award in Chemistry and a $250,000 prize. William von Eggers Doering, 72, of Harvard, and John D. Roberts, 73, of Caltech are the first pair to receive the honor, presented annually since 1972 to a major figure in chemistry. "These two men have been primary intellectual forces over more than four decades in a development that represents one of the great advances in the history of science — the creation of modern physical organic chemistry," said Jack S. Josey, president of the Houston-based Welch Foundation. Each man will be presented with a gold medal and his $125,000 share of the prize at a Houston banquet October 22.

PERSONALS

TNK, Sant Jude. P.G.B.

DL, HAPPY BIRTHDAY FROM A PRANCING HORSE

THANK YOU Sacred Heart of Jesus and St Jude for your help. C.

ALL SUITE HOTELS

JUST OPENED IN PARIS THE ULTIMATE LUXURY 46 AVE GEORGE V

RELAIS CARRE D'OR

Reservation
Tel (1) 40.70.05.05. Fax (1) 47.23.30.90

LEGAL SERVICES

QUICK DIVORCE ATTORNEY
legal service Karlsruherstr. 120 6900 Heidelberg. Tel: (49) 6221/32280.

ANNOUNCEMENTS

TO OUR READERS VISITING FROM THE U.S.A.

THE IHT IS NOW AVAILABLE IN MANY U.S. CITIES ON DATE OF ISSUE

Now printed by satellite transmission in New York the International Herald Tribune offers same-day home or office delivery in Manhattan, most areas of Boston, Houston, Los Angeles, Miami, Philadelphia, San Francisco and Washington D.C.

Subscription copies are now flown directly to Atlanta, Chicago, Denver and Seattle for speedy mail delivery

In the U.S.A., call TOLL FREE 1-800-882-2884

In New York, call (212) 752-3890

or write International Herald Tribune 850 Third Avenue New York, N.Y. 10022 Telex: 427 175 Fax: (212) 755-8785

LOSE WEIGHT
STOP DRINKING, STOP SMOKING
In a very exclusive private medical clinic in Germany's Black Forest - 45 min. drive from Zurich Airport. Please write: Christiana Clinic, D-7822, St. Blasien, W. Germany.
Phone: W. Germany - 7672-48010
Fax: W. Germany - 7672-480110

ANNOUNCEMENTS

FREE INFORMATION SESSIONS IN HOLLAND ON INT'L TRADE LAW

The Institute for Paralegal Studies at The American University of Paris prepares you to work as a legal assistant in Europe or the U.S. Specialize in International Trade Law & EEC Law. Day or evening classes, all taught in English by qualified attorneys.
FREE INFORMATION SESSIONS
The Hague: Mon. April 23 at 18h 30.
Rotterdam: Tues. April 24 at 18h 30.
For location, to reserve seating & for a free brochure, write or call
The American University of Paris,
34, Av de New York, 75116 Paris, France. Tel: (33-1) 47.20.44.99
Fax: (33-1) 47.20.45.64

CAMBODIA. Historian writing the biography of Prime Minister Hun Sen researchs testimonies about different periods of Hun Sens's life to send to Jennar, 13 rue d'en-Haut, B-5901 Jodoigne Belgium

GRAND PRIX WEEK/ MONACO APT Stunning view. Overlooks port/race circuit. Terrace (seats 20). 2 beds, 2 baths + maid. Sleeps 6. References required. $4500. (33) 93616826.

BRIONI. The finest hand-made suit. Largest selection in Switzerland at WEINBERG the leading men's store. Bahnhofstr. 13, Zurich, 01/211 29 50

FRENCH INTENSIVE GROUP COURSE 30 hours in 2 weeks: F57/hour starting April the 2nd. UNILANGUES, 61, bd. Haussmann, Paris, 42 68 04 02.

FEELING low? — having problems? SOS HELP crisis-line in English. 3 p.m.-11 p.m. Tel. Paris 47 23 80 80.

ALCOHOLICS ANONYMOUS English speaking meetings daily. Tel: PARIS 46 34 59 65 or ROME 678 0220.

AT&T USADirect®
CALLING THE STATES FROM OVERSEAS HAS NEVER BEEN EASIER WITH USADirectService

All you have to do is dial a number to be connected to an AT&T Operator in the U.S.

AUSTRALIA 0014-881-011
†AUSTRIA 022-903-011
BAHRAIN 800-001
†BELGIUM 11-0010
BRAZIL 000-9010
CHILE 00*-0312
COLOMBIA ² 980-11-0010
†COSTA RICA 114
CZECHOSLOVAKIA 0420-0010
†DENMARK 8001-0010
†FINLAND 9800-100-10
†FRANCE 19*-0011
†GAMBIA 001-199-220-0010
GERMANY, FRG² 0130-0010
†GREECE 00-800-1311
GUAM² 018-872
†GUATEMALA 190
HONG KONG 008-1111
†HUNGARY 00*-36-0111
INDONESIA 00-801-10
†ITALY 172-1011
JAPAN 0039-111
KOREA 009-11
KOREA ² 11 *
KOREA * 550-4663 (HOME)
LIBERIA 797-797
†NETHERLANDS 06*-022-9111
NEW ZEALAND 000-911
†NORWAY 050-12-011
†PHILIPPINES ² 105-11
†SINGAPORE 800-0011
†SWEDEN 020-795-611
†SWITZERLAND 046-05-0011
U.K. 0800-89-0011
†URUGUAY 00-0410

* Await second dial tone
† Public phones require deposit of coin or phone card for dial tone.
1 Trial basis only.
2 Limited availability.
3 From public card phones only, push the red button, wait for dial tone and then dial.
4 From U.S. military bases only. While in the USA call 1-800-874-4000 Ext. 328 for more information about USADirectService.

AT&T The right choice.

MOVING

HOMESHIP. Small & medium moves, baggage, cars worldwide. Call Charles Paris 42 81 18 81 (near Opera).

MOVING

1992 - NOW!
interdean
INTERNATIONAL MOVERS
FOR A FREE ESTIMATE CALL

AMSTERDAM	31	(71)	89 93 24
ATHENS	30	(1)	961 12 12
BARCELONA	34	(3)	652 31 11
BERLIN	49	(30)	8154061
BONN	49	(2241)	6 60 62
BREMEN	49	(421)	17 05 91
BRUSSELS	32	(2)	720 95 63
CADIZ	34	(56)	85 67 44
COTE D'AZUR	33		93742121
FRANKFURT	49	(6190)	20 01
GENEVA	41	(22)	43 85 30
LONDON	44	(1)	961 41 41
MADRID	34	(1)	671 24 50
MANCHESTER	44	(61)	707 20 16
MILAN	39	(2)	415 82 41
MOSCOW	7	(95)	938 20 80
MUNICH	49	(89)	141 50 36
NAPLES	39	(81)	780 16 22
PARIS	33	(1)	39 56 90 00
ROME	39	(6)	526 93 42
VICENZA	39	(444)	58 00 33
VIENNA	43	(222)	865 4706
WASHINGTON	1	(703)	759 4801
ZURICH	41	(1)	945 04 00

ONE NAME, ONE COMPANY

MovePlus
THE INTERNATIONAL MOVERS
Head Office: World Trade Center Rotterdam. Tel: 31 (10) 405 2090

MOVE Plus - FRANCE
Desbordes (33) 1- 43.43.23.64
MOVE Plus - NORWAY
Majortrans (47) 2- 507070
MOVE Plus - ENGLAND
Amertrans (44) 1- 953 3636
MOVE Plus - HOLLAND
Nijman (31) 10- 437 2255
MOVE Plus - GERMANY
IMS (49) 04172- 4831
MOVE Plus - BELGIUM
Ziegler (32) 2- 4222736
MOVE Plus - DENMARK
Adams (45) 31- 787400
MOVE Plus - SWEDEN
Kungsholms (46) 753- 89400
MOVE Plus - SPAIN
Gil Stouffer (34) 1- 275 9844
MOVE Plus - SWITZERLAND
Geneva, Hersch (41) 22- 434885
Zurich: Welti-Furrer (41) 1- 272 1211

THE ADDED VALUE IN MOVING

DUTY FREE SHOPS

FREDDY

Newly renovated shop in heart of Paris. Come in & buy all your perfumes & gifts "Duty Free" at SAVINGS OF 40%. Two blocks from the "Opera", next to the American Express Bank. FREE GIFT with this ad. Mon-Fri, 9-6.30. 10 rue Auber, Paris 9, Metro Opera.

REAL ESTATE FOR SALE

CANADA

A CLASS BY ITSELF MONTREAL WESTMOUNT LE CHATEAU WESTMOUNT SQUARE. A unique masterpiece in condominium living. Sale or rental. Tel: 514-937-6313 Fax: 514-937-6285. 4175 St. Catherine W., Ste. 1702, Westmount, Quebec, Canada H3Z 3C9.

MONACO

PRINCIPALITY OF MONACO
UNIQUE COMFORTABLE VILLA

for sale, 6/7 rooms on 2 levels (242 sq.m.), facing south, in quiet residential area, with fully equipped kitchen, bathroom, shower room, 2-car garage and large terrace (115 sq.m.).
PANORAMIC VIEW OF MEDITERRANEAN & PRINCIPALITY

For further details, please contact the Private Agent

AGEDI
20 bis, bd Princesse Charlotte
MC 98000 MONACO
Tel: (33) 93.50.66.00. Telex: 479417 MC
Fax (33) 93.50.19.42
Bill Residential

REAL ESTATE FOR SALE

FRENCH PROVINCES

CAP MARTIN 200 sq.m. villa, swimming pool, source, 1,100 sq.m. land. F4,800,000. Tel: (33) 93 41 37 48

PARIS & SUBURBS

8th MROMESNIL
DELUXE PIED-A-TERRE
High class, old building, 4th floor, lift, 55 sq.m. F3.3 M. Surfaces 45 67 90 48

7th QUAI D'ORSAY, 347 SQ.M. Elegant family apartment. Superb river views 2 maid's rooms. P. HAWKES Tel: (1) 42 68 11 11

SWITZERLAND

LAKE GENEVA & MOUNTAIN RESORTS
Sale to foreigners authorised. You can own a quality APARTMENT/ CHALET in MONTREUX, VILLARS, LES DIABLERETS, LEYSIN, GSTAAD Valley, CRANS-MONTANA, VERBIER, etc. From SFr 200,000 60% credit at average 7 1/2 % REVAC S.A.
52, Mordtbrillant, CH-1202 GENEVA
Tel 4122-7341540 Fax 7341220 Tx 22020

REAL ESTATE TO RENT/SHARE

GREAT BRITAIN

KNIGHTSBRIDGE ES4 per night Luxury serviced apartments, beside Harrods. Kensington flats £26/night. Oxbridge apartments Tel:8351611 Fax:3730036.

HOLLAND

DUTCH HOUSING CENTRE B.V.
***** Deluxe rentals *****
Valeriusstr. 174, 1075 GH Amsterdam
Tel: 31.20.664.4444 Fax: 664.5354

PARIS AREA FURNISHED

SCEAUX RESIDENTIAL, high class villa, sunny, calm, 3-livings, 6-bedrooms, 3-baths, large treed garden, heated/filtered pool (13X6), garage. REL 4 months. F25,000. (1) 4702 4866

BUSINESS OPPORTUNITIES

BRITISH YACHT REGISTRATION. Somia Ship Registrations specialises in the incorporation of companies to own yachts and ships to be registered under the British flag - and offers, entirely free, a brochure setting out the benefits of corporate ownership. Somia Ship Registrations Limited, (IHT) P.O. Box 79, Guernsey, Channel Islands. Tel: (44) 481 726421 Fax: 0481 726526.

GIBRALTAR COMPANY FORMATION Full confidential and professional services. Gouttland Group, P.O. Box 629, Gibraltar. Tel: 350-79012. Fax: 350-70101. Telex: 2110 G Group GK.

GERMAN SALON OWNER SEEKS a partnership in an already established New York salon. Reply to: M. SIK, Hair Garden, 8010 20th Avenue, Brooklyn, N.Y. 11214.

TUSCANY NEW GOLF COURSE Partners sought. Interfin, via Sauro, Carrara, Italy. Tel/Fax: (39-585) 241670.

BUSINESS SERVICES

LONDON ADDRESS BOND STREET. Mail, Phone, Fax, Telex, Conference room. Call 01-499-9192. Tx 262499

ATTENTION EXECUTIVES
Publish your business message in the International Herald Tribune, where more than a third of a million readers worldwide, most of whom are in business and industry, will read it. Just telex us (Paris 613595) before 10 a.m., assuring us we can telex you back, indicate which major credit card you wish to charge it to, the number and expiration date, and your message can appear within 48 hours. Please also include your address and telephone number for our files.

BUSINESS OPPORTUNITIES

BUSINESS SERVICES

GENEVA
SWITZERLAND
Full Service is our Business
- International law and taxes
- Mailbox, telephone, telex and telecopier services
- Translation and secretarial services
- Formation, domiciliation and administration of Swiss and foreign companies

Full confidence and discretion assured.

BUSINESS ADVISORY SERVICES S.A.
7 Rue Muzy, 1207 GENEVA
Tel 736 05 40, Tlx 413222, Fax 786 06 44

FOR LOANS
$250,000 - £10,000,000
On variable projects plus insurance. Guarantees in 21 banking days, also specialists in Shipping Finance. Contact experience of 15 years at HERALDMARK LTD, 16 SHERINGHAM, ST JOHNS WOOD PARK, LONDON NW8 6QX. Tel:01-586 4119 - 01-586 0399 - Fax:01-586 6441. Telex: No:929746 Pagint G.

NO "PRESTIGE" SWISS ADDRESS
but reasonably priced domiciliation by Int'l Trade Co. All services including Import-Export. Fax: Geneva (4122) 734.22.14. Tel: 736.42.90 Or write PO Box 36, CH-1219 Le Lignon-Geneva, Switzerland.

LOOKING FOR Office accommodation in London ring 01 494 2323. No lease, no fees commitment. Full service.

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

PRESTIGIOUS PROPERTIES

Barbara Freling
24, 16 et 6, place Vendôme
75001 Paris
Fax 40 15 90 11

Tél (1) 40 20 96 00

Embassy Service
8 Ave. de Messine
75008 Paris
YOUR REAL ESTATE AGENT IN PARIS
(1) 45.62.30.00
FAX (1) 42.89.21.54

74 CHAMPS ELYSEES
LE CLARIDGE
FOR 1 WEEK OR MORE
high class studio, 2 or 3-room apartments. FULLY EQUIPPED IMMEDIATE RESERVATIONS
Tel: (1) 43 59 67 97

AGENCE CHAMPS ELYSEES
11, rue de Colisee, Paris 8th
Renting from studios to 5 rooms
Residential areas. Long or short term.
TEL: (1) 42.25.32.25

8TH, Faubourg ST HONORE Exceptional 4 room apartment. South facing patio gardens. Maid's room, parking. One year only. Tel: PHILIP HAWKES Paris (1) 42 68 11 11.

AGENCE CHAMPS ELYSEES 42253225 rents prestigious apartments. FOCH 130 sq.m. with garden F35,000. AVE MONTAIGNE 120 sq.m. F40,000. ILE ST LOUIS 6 rooms, 2 baths F40,000.

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

PARIS BIENVENUE. Furnished studios & apartments in central Paris, nightly, weekly, monthly. Chauffeur available to & from airport. (1) 47 53 80 81.

HIGH STANDARD furnished apartments from 3 months to 3 years. Best areas. Quality & fully equipped. Exclusive. Tel. 1-47.53.86.38 Fax 1-45.51.75.77

3rd ARTS ET METIERS. Share 3 rooms with English girl from end May (prefer girl). Rent F2,500 + 2 months deposit. Tel: 47550246 office / 40299604 home

HEART MONTMARTRE. Great 2-room flat. By week/month. F4000/mo. including utilities. US Owner 46379284

PARIS, 3 KM WEST New superb houses, 8-10 rooms, garden, F15,000-17,000. Furnished or not. 1-42610971

MARAIS, Picture window on Picasso Museum, new building, 2 rooms, full bath, short/long term. (1 48 87 25 79

TOURS LE FRANCE- 60 sq.m., 11th floor, all comforts, security, color TV, parking. Owner: 40.90.09.99

CONVENTION, modern, balcony, large studio, all comforts, short term possible. F4800. Tel: 47.64.13.87

11TH NEAR MARAIS - Studio, 4 months or more, balcony, sun, all comforts. F3500/mo. Tel: 48.07.00.34

7th UNIVERSITE Elegant 18th century town house, 270 rooms, June, December & January. Tel: 45490131.

CONVENTION ravishing 50 sqm studio, all comforts, well fitted. Short term possible. F4600 net. (1) 42.27.71.05.

PARIS AREA UNFURNISHED

HARRIED HOUSE HUNTERS - Let US do your footwork! Why not benefit from our more than 10 years experience successfully relocating 500 families a year in Paris/western suburbs/ Nice? Call CSU Paris (1) 45.27.84.30

PLACE DU PALAIS BOURBON, (7th), 1 bedroom, 2 reception, view, equiped. F20,000 + key money. (1) 43298001.

REAL ESTATE WANTED/EXCHANGE

INTERNATIONAL BUSINESSMAN Needs 3 to 5 room apartment PARIS, 6th. Within rectangle of rue de Seine, bld Saint Germain and rue de Bellechasse WILL PAY FEES Call (33-1) 4222 4721, Fax: 4222 9916

BUSINESS MESSAGE CENTER

BUSINESS SERVICES

GENEVA
SWITZERLAND
Full Service is our Business
- International law and taxes
- Mailbox, telephone, telex and telecopier services
- Translation and secretarial services
- Formation, domiciliation and administration of Swiss and foreign companies

Full confidence and discretion assured.

BUSINESS ADVISORY SERVICES S.A.
7 Rue Muzy, 1207 GENEVA
Tel 736 05 40, Tlx 413222, Fax 786 06 44

FOR LOANS
$250,000 - £10,000,000
On variable projects plus insurance. Guarantees in 21 banking days, also specialists in Shipping Finance. Contact experience of 15 years at HERALDMARK LTD, 16 SHERINGHAM, ST JOHNS WOOD PARK, LONDON NW8 6QX. Tel:01-586 4119 - 01-586 0399 - Fax:01-586 6441. Telex: No:929746 Pagint G.

NO "PRESTIGE" SWISS ADDRESS
but reasonably priced domiciliation by Int'l Trade Co. All services including Import-Export. Fax: Geneva (4122) 734.22.14. Tel: 736.42.90 Or write PO Box 36, CH-1219 Le Lignon-Geneva, Switzerland.

LOOKING FOR Office accommodation in London ring 01 494 2323. No lease, no fees commitment. Full service.

TAX SERVICES

US TAX RETURNS & US/int'l, income tax & estate planning exclusively for upper income executives, entrepreneurs & int'l artists. We are a Europe based group of American, French & UK tax specialists. Reply Box 1497, I.H.T., 92521 Neuilly Cedex, France.

FINANCIAL SERVICES

BANK FUNDING Available in major currencies for business development, construction, hotels, debt restructure. Rates as low as 7.5% based on borrowing. Marwell Ltd 94a New Brighton Road, Emsworth, Hants, PO10 7QF Tel 0705 492540 Fax 0243 786930.

FIRST INDEX OPTION PROGRAM Proven 6 years average + 281%. Tel: France (33)76760605, Fax 33677985.

OFFICE SERVICES

WHY RENT SPACE WHEN YOU CAN RENT AN OFFICE
Office and all office services available long or short term at:
IBOS
15 Ave VICTOR HUGO, 75116 Paris
TEL: 44 28 18 00 FAX: 44 28 19 00
"It takes more than space to run an office"

YOUR OFFICE in PARIS
is ready when you need it, even for a couple of hours.
- fully functional modern offices and conference rooms to rent by the hour, day, month, etc....
- Your location or permanent base
- Prestige mailing address. All services

BOSS BURO EXPRESS
91, Fg St-Honoree 75008 PARIS
Tel 1- 42.66.90.75. Fax 1- 42.66.15.60

TODAY'S CAREER OPPORTUNITIES
Appears on page 7

EMPLOYMENT

EDUCATIONAL POSITIONS AVAILABLE

EXECUTIVE LANGUAGE SERVICES International House Paris. Require RSA qualified teachers, for full-time or part-time. Independent workers also considered. Hand written letter and CV to Box 1553, I.H.T., 92521 Neuilly Cedex, France or phone Damian Corcoran: 42 36 32 32

SEEKING EXPERIENCED TEACHER of EFL, native speaker, with car, & valid working papers. To work in southern suburb of Paris. Call Paris 46 87 03 40.

TEACHERS, AMERICAN OR ENGLISH, bilingual, experienced, full time. Valid working papers. Tel: Cybele Longue at Paris (1) 42.89.18.26/(13h - 18h).

NATIVE SPEAKERS, TEFL experience or training, to teach English in the Paris area. Private Formation, Paris SW suburb (1) 34 81 14 14

LANGUAGE SCHOOL seeks American and English teachers in possession of work permit, full time or part time. Call (1) 42 56 44 25

SECRETARIAL POSITIONS AVAILABLE

EXECUTIVE SECRETARY. Personnal assistant for the Chairman of International Cosmetics Company. Work in London, Switzerland, Greece. Able to travel extensively. For an interview, London phone: 2241851, Fax: 2240734 Athens phone: 3607224, Fax: 3646309 or mail CV to DHI SA, 37 Devonshire place W1N 1PE London UK.

Experienced BILINGUAL EXECUTIVE SECRETARY, English mother tongue, French working papers, for Paris / European office of US investment bank. Well-organized, accurate, efficient, able to work under pressure, knowledge of WP essential. Write to Susan Kipling, PEERS EUROPE S.A., 65, ave d'Iena, 75116 Paris.

AMERICAN LAW FIRM in Western Frankfurt seeks experienced, discreet and mature secretary, bilingual German/English capabilities, for position currently available. Please Reply Box 2738, I.H.T., Friedrichstr. 15, 6000 Frankfurt/Main

INT'L LAW FIRM seeks bilingual English-French secretary, prefer English or American mother tongue. Macintosh Word 4. Call Paris (1) 42 68 48 00 or send handwritten letter & CV to: CABINET SALANS, 9 rue Boissy d'Anglas, 75008 Paris.

U.S. TELEVISION GROUP PARIS seeks secretary/assistant, with English, French, and special interest in script development. Reply Box 1546, I.H.T., 92521 Neuilly Cedex, France.

DOMESTIC POSITIONS AVAILABLE

PART TIME Au Pair/Help, 3/4 hrs Sat. & Sun. to do general light domestic work, with good references, in West End, London. Tel: UK 01-499-2548 after 6p.m. 409-9112 after office.

DOMESTIC POSITIONS WANTED

PORTLAND RECRUITMENT
We supply top calibre Nannies, Butlers, Cooks and Couples to our International Clients. All flights, medical insurance, contracts etc, arranged by us. Curriculum Vitaes will be forwarded upon request. Please write/Fax 68 Great Portland Street, London W1. TEL 01 323 0608 FAX 436 0382. (UK Lic 5E1761).

AVAILABLE EXPERIENCED Portuguese/Philipino Daily Housekeepers. Also British Nannies and foreign Au-Pair helpers. Phone or Fax your order to Britannia, London's leading Agency 730-9966. Fax 824-8894.

AUTO RENTALS

RENT FROM DERG! AUTO WEEKEND: FF 515,- 8 DAYS: FF1,356 PARIS (1) 45.87.27.04

AUTO SHIPPING

TRANSCAR 17 av de Friedland, 75008 Paris. Tel 4225 6444. Nice 9321 3550. Antwerp 233 9985. Cannes 9339 4344

AUTOS TAX FREE

TRASCO BREMEN. Tax free new and used Alfa, Audi, BMW, Ford, Mercedes, Opel, Porsche, Volkswagen, Volvo. Steenbamm 38, 2820 Bremen 77, Germany. Tlx: 246524. Fax (0)421/630205. Tel: (0)421/633044.

TRASCO BREMEN Mercedes -+ Audi Armored cars & stretched limousines from stock. Steenbamm 38, D-2820 Bremen 77 Germany. Tlx: 246524. Fax (0)421/630205. Tel: (0)421/633044.

AUTO SERVICES

LICENSE PLATES expired? For solution: Panthon Ltd., BCM Box 49, LONDON WC1N 3XX. UK. tel 01-4045091 fx 01-8469913. We insure also cars at once.

BOATS/YACHTS

WANTED to charter, boat about 70 feet length in South France for August 90. Contact Floyd Fax London 543 8577.

LOW COST FLIGHTS

ACCESS VOYAGES
One Way - Round Trip

New York	F1295	F2395
Los Angeles	F1895	F2970
Miami	F1695	F2190
Montreal	F1000	F1890
Vancouver	F2250	F4199
Rio de Janeiro	F3195	F4995
Australia	F4510	F7990
Japan	F4195	F7395
Caribbean	F1480	F2960

and more destinations.
Discount on 1st & business class.
Rates subject to modifications
Restrictions may apply
Tel: (1) 40.13.02.02 & 42.61.44.94
Fax 45 08 93 35
6 rue Pierre Lescot, 75001 Paris
Metro - RER Chatelet Les Halles
(Lic. 1.75.111)...and also

ACCESS IN LYONS
Tour Credit Lyonnais, 129 rue Servient 69003 Lyon. Tel: (16) 78 63 67 77.
Book now by phone with credit card

WORLDWIDE scheduled departure at the lowest ever discounts. Economy airfare. Credit cards possible. Tel Paris 42 89 10 81 or Fax: 42 56 25 82

FOR SALE & WANTED

FOR SALE FULL LENGTH SILVER FOX fur, superb quality, no baby fox. A real bargain. Tel (1) 42 67 06 67

International Herald Tribune ads work

page 23 FOR MORE CLASSIFIEDS

VACHERON CONSTANTIN
The World's oldest Watch Manufacturer
Geneva since 1755.

VACHERON CONSTANTIN
1 RUE DES MOULINS, CH 1204 GENEVE

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris.